

12th Tax Planning for Real Estate Transactions

The Latest Tax Developments in the Real Estate Sector

Workshop Included: Real Estate Transaction Harmonized Sales Tax Issues

participating organizations

Altus Group
Davies Ward Phillips & Vineberg LLP
Deloitte & Touche LLP
Michael I. Atlas, Chartered Accountant
Goodmans LLP
KPMG LLP
Miller Thomson LLP
WeirFoulds LLP

who should attend

Real estate lawyers, tax lawyers and business lawyers
working with clients in the real estate industry
Vice-Presidents, Directors and Managers of Tax
CFOs and Treasurers
Tax accountants
Real estate developers
Comptrollers
Corporate tax counsel
Financial planners

course highlights

- Mergers and acquisitions of REITs
- Tax issues for non-resident investors in Canadian real estate
- International real estate acquisitions
- Tax-deferred transfers of real estate
- Structuring tax driven real estate investments: direct investment and investing through partnerships
- Planning for the tax-effective sale of real estate
- Real estate transactions: HST issues
- Municipal property taxes: new complexities, pitfalls, opportunities and strategies

*"It was very instructive,
would do it again."*

*"Good reference for issues
that you need to be aware
of when advising and doing
tax planning in real estate."*

*"Learned many ideas
regarding possible setups
and planning."*



Course Leader
Antony Schiefer,
KPMG LLP



Fred Purkey,
Davies Ward
Phillips &
Vineberg LLP



Michael I. Atlas,
Michael I. Atlas,
Chartered
Accountant



Glenn Ernst,
Goodmans LLP



Jeff G. Cowan,
WeirFoulds LLP



Mitchell J.
Sherman,
Goodmans
LLP



Frank Baldanza,
Deloitte &
Touche LLP



Katherine
Xilinas,
Miller Thomson
LLP

Cory Yeoman,
Altus Group

FACULTY

COURSE LEADER

ANTONY SCHIEFER

Antony Schiefer is a tax partner in **KPMG LLP's** Real Estate and Construction Advisory Services practice in Toronto. His practice is directed to providing tax advisory services for large public, private and institutional investors in real estate.

CO-LECTURERS

FRED PURKEY

Fred Purkey is a partner at **Davies Ward Phillips & Vineberg LLP**, practising in the area of taxation, focusing on real estate investment trusts and income funds.

JEFF G. COWAN

Jeff G. Cowan practices litigation law at **Weir-Foulds LLP**, with emphasis on public law and real estate.

MICHAEL I. ATLAS

Michael I. Atlas, is a Toronto-based Chartered Accountant who practices as an independent consultant on tax matters, with emphasis on international tax planning, corporate reorganizations, real estate and estate planning.

GLENN ERNST

Glenn Ernst is a partner in the Tax Group at **Goodmans**. He practices in all areas of taxation including income taxation, commodity taxation and taxation litigation.

CORY YEOMAN

Cory Yeoman has been active in the assessment industry since 1999. He is now Senior Director, Tax Consulting Group with Altus and is client representative on numerous commercial, industrial, and multi-residential properties.

MITCHELL J. SHERMAN

Mitchell J. Sherman is a partner with **Goodmans** specializing in taxation. His taxation practice focuses on corporate and commercial transactions.

FRANK BALDANZA

Frank Baldanza is a tax partner with **Deloitte**. He has over 25 years of tax experience including the structuring and implementation of cross border real estate investments involving private equity funds, REITs, partnerships, corporations, trusts and tax-exempt entities.

KATHERINE XILINAS

Katherine Xilinas is a Partner at **Miller Thomson** and practices in the firm's Tax and International Trade, Customs and Commodity Tax specialty groups. She specializes in customs law.

COURSE PROGRAM

REAL ESTATE INVESTMENTS: ALTERNATIVES FROM A TAX PERSPECTIVE

A critical driver behind the choice of structure through which Canadian real estate is held is the income tax implications. This opening session will explore why particular structures are utilized to hold Canadian real estate and how those structures are implemented in a tax-efficient manner.

- Review of alternative structures and vehicles
- Tax results arising from the use of alternative structures
- Holding and managing of income-producing properties: tax considerations
- The development of real estate for resale

PROPERTY PURCHASE TAX IMPLICATIONS

While considering all of the potential complex tax implications affecting the purchase of real property today, property purchase tax issues may seem relatively simplistic in comparison. However, such thinking turns a blind eye to numerous tax planning opportunities that can arise through property purchase tax issues. This session will provide you with practical in-depth analysis of property purchase tax implications.

- Beneficial dispositions: transfer tax consequences
- Deferrals and cancellation of land transfer tax
- Determining transfer taxes with respect to different interests in land
- Electronic registration issues
- Tax implications for transactions involving affiliates
- Who's buying and selling?

SUPPLEMENTARY COURSE MATERIAL

Federated Press is now providing delegates with access to an innovative new database containing at least 25 interactive multimedia presentations by leading experts and approximately 20 hours of lectures on the topics covered by this course, including all slides and speakers' papers. See the list of presentations on page 4.

Delegates will also receive a trial subscription to the Real Estate Channel, a much broader resource representing hundreds of hours of interactive multimedia lectures on leading edge Real Estate topics as delivered at our many recent Real Estate conferences and courses.



TAX ISSUES FOR NON-RESIDENT INVESTORS IN CANADIAN REAL ESTATE

This session will examine the latest tax issues affecting non-resident investors in Canadian real estate, including:

- Review of tax rules generally applicable to non-residents investing in Canadian real estate, including withholding and filing requirements
- Pros and cons of various ownership structures involving non-residents
- Estate planning issues regarding non-residents owning Canadian real estate
- Planning aimed at minimizing Canadian tax liability on rental income and capital gains
- The creative application of tax treaties to minimize Canadian taxation on real estate capital gains
- Implications of new definition of "Taxable Canadian Property"

LAND TRANSFER TAX IMPLICATIONS

When buying land or an interest in land, you must pay land transfer tax, whether or not the transfer is registered. Land transfer tax is normally based on the amount paid for the land, in addition to the amount remaining on any mortgage or debt assumed as part of the arrangement to buy the land. However in some cases, land transfer tax is based on the fair market value of the land. This session will focus on the tax implications associated with land transfer.

- Calculating land transfer tax and common planning techniques
- Land transfer tax rates
- Land transfer tax is based on the fair market value
- What is included in the definition of "land"

MERGERS AND ACQUISITIONS OF REAL ESTATE INVESTMENT TRUSTS

M&A transactions involving REITs have changed the real estate landscape. In order to remain competitive, REITs need to consider the advantages of growth through merger or acquisition, including the ensuing tax implications. This session will cover the latest tax issues associated with M&As of real estate investment trusts, including structural and tax considerations.

- New legislative developments relevant to investment in or acquisition of REITs
- Mergers of REITs: achieving the merger on a tax deferred basis
- Two-stage transaction unit purchase followed by a merger
- Structuring the acquisition: asset or unit sale

CONDO CONVERSION TRANSACTIONS

Converting apartment buildings into condominiums has become a popular alternative to new construction. This session will review the tax rules and issues that arise from condo conversion transactions, the process of converting an income property or other lands currently held under one title from sole ownership of the entire property into individually sold units as condominiums.

- Valuation: multi-residential apartments and residential condo units
- Valuation and tax implications of conversions
- Provincial residential tax variances
- Risks and rewards of conversion
- Tax assessment appeal process
- Property tax management and budgeting
- Impact of Harmonized Sales Tax
- Post conversion options

MUNICIPAL PROPERTY TAXES: NEW COMPLEXITIES, PITFALLS, OPPORTUNITIES AND STRATEGIES

A new cycle of property valuation, as of January 1, 2008, establishes assessments and thus municipal taxes for the tax years 2009-12 in Ontario. Policy changes, legislative amendments, and new case law has impacted commercial and industrial land owners and tenants alike, making the understanding of the municipal property tax regime essential to managing any real estate asset prudently and in a cost effective manner.

- The most recent municipal property tax changes
- Trends in the manner in which properties are being assessed
- Impact on commercial and industrial landlords and tenants
- Recent case law

TAX-DEFERRED TRANSFERS OF REAL ESTATE

A tax-deferred real estate transfer allows you to rollover all of the proceeds received from the sale of an investment property into the purchase of one or more similar properties. This session explores the benefits and uses of tax-deferred transfers.

- Use of rollover provisions to transfer real estate to a corporation or partnership
- Transfers of real estate to a REIT
- Limits on receipt of cash proceeds
- Negative ACB issues
- Liquidation of partnerships owning real property
- Partitions of real property

TAX CONSIDERATIONS IN STRUCTURING US REAL ESTATE INVESTMENTS BY CANADIAN REITS AND CERTAIN OTHER ENTITIES

This session will focus on the tax implications of purchasing US real estate from the perspective of Canadian REITs and certain other entities.

- Ownership structures
- Canadian and certain US tax considerations on purchase, ownership and disposition
- Financing alternatives
- Other issues

WORKSHOP

REAL ESTATE TRANSACTION HARMONIZED SALES TAX ISSUES

The Ontario Government announced in its March 2009 budget that it planned on combining Ontario's existing retail sales tax (PST) with the federal GST regime to create a federally administered harmonized sales tax of 13%. Under the new tax system, commercial supplies in Ontario of real property, new home purchases, new construction of residential single family homes and condominium units, real estate commissions, property maintenance and management costs, landscaping, engineering and architectural services, and trade contracts will be subject to the new harmonized sales tax (HST). This workshop will cover the basics and complexities of the new harmonized sales tax on real estate transactions.

- Commercial real estate: HST treatment
- Residential real estate: HST treatment
- Impact of HST: accounting changes, amendments to existing agreements of purchase and sale, condominium budgets, construction contracts and various other development related documentation
- Transition rules: implementation and transition details
- New housing rebate applicability
- Impact on condominium budgets and operating expenses

MULTIMEDIA PRESENTATIONS

Your registration includes an interactive multimedia database comprising the following presentations from recent Federated Press courses and conferences. They are presented in their entirety with complete audio or video and accompanying slides. You may also purchase the multimedia proceedings of the course which will be available on CD-ROM 60 days after the course.

Property Tax Impacts of Ownership Structures in the Development of Real Property in BC

Phil Gertsman,
Deloitte & Touche LLP

Raising and Structuring Finance for Property Development

Brian Kennedy,
People's Trust Company

Legal Issues in the Acquisition, Development, Management and Disposition of Real Estate

Jeffrey W. Lem,
Davies Ward Phillips & Vineberg LLP

Public-Private Partnership Development

Donna Mayer,
Canada Mortgage Housing Corporation

Managing the Legal Aspects of Financing

Norman I. Kahn,
Aird & Berlis LLP

International Real Estate Acquisitions

Stephen D. Holmes,
Holmes & Company

Planning for the Tax Effective Sale of Real Estate

Ralph Burgess,
Peer Financial Ltd.

Real Estate Transaction GST and Provincial Tax Issues

Katherine Xilinas,
Miller Thomson LLP

Tax Issues for Non-Resident Investors in Canadian Real Estate

Robert A. Kopstein,
Blake, Cassels & Graydon LLP

Joint Ventures, Syndicates & Partnerships

David W. Ross,
Burnet, Duckworth & Palmer LLP

Tax Deferred Transfers

Sandra Mah,
McCarthy Tétrault LLP

Real Estate Investing Alternatives

Dennis Auger,
KPMG LLP

SIFT Rules and REIT Mergers

Frank S. Schober,
Fasken Martineau DuMoulin LLP

Investing & Holding US Real Estate

Johnson Tai,
PricewaterhouseCoopers LLP

Tax Planning for Real Estate Transactions in Troubled Times

Tony L. Tse,
KPMG LLP

The REIT Exception to the New Tax on Income Trusts

Walter Pela,
KPMG LLP

Tax Issues in Donations & Eco-Gifting of Land

Henry Wiebe,
BDO Dunwoody LLP

Innovative Tax Planning for Real Estate Transactions

Frank Baldanza,
Deloitte & Touche LLP

The REIT Exception to the New Tax on Income Trusts

Barbara Worndl,
Aird & Berlis LLP

Condo Conversion Transactions

David Gibson,
Atlas Derbyshire

Land Transfer Tax

Jeffrey Lem,
Davies, Ward, Phillips & Vineberg LLP

Mergers and Acquisitions of Real Estate Investment Trusts / Tax Issues for Non-Resident Investors in Canadian Real Estate

Mark P. Chartrand,
Miller Thompson LLP

Tax-Deferred Transfers of Real Estate

Walter Pela,
KPMG LLP

Property Purchase Tax Implications

James Speakman,
Clark Wilson LLP

Real Estate Transaction GST and Provincial Tax Issues

Patrick Banham,
KPMG LLP

Registration: To reserve your place, call Federated Press toll-free at 1-800-363-0722. In Toronto, call (416) 665-6868 or fax to (416) 665-7733. Then mail your payment along with the registration form. Places are limited. Your reservation will be confirmed before the course.

Location: Metropolitan Hotel, 108 Chestnut Street, Toronto, Ontario, M5G 1R3

Conditions: Registration covers attendance for one person, the supplementary course material as described in this document, lunch on both days, morning coffee on both days and refreshments during all breaks. The proceedings of the course will be captured on audio or video. Multimedia proceedings with all slides and handouts can be purchased separately on a CD-ROM which will also include the course material.

Time: This course is a two-day event. Registration begins at 8:00 a.m. The morning sessions start promptly at 9:00. The second day ends at 4:00 p.m.

Cancellation: Please note that non-attendance at the course does not entitle the registrant to a refund. In the event that a registrant becomes unable to attend following the deadline for cancellation, a substitute attendee may be delegated. Please notify Federated Press of any changes as soon as possible. Federated Press assumes no liability for changes in program content or speakers. A full refund of the attendance fee will be provided upon cancellation in writing received prior to January 13, 2011. No refunds will be issued after this date. Please note that a 15% service charge will be held in case of a cancellation.

Discounts: Federated Press has special team discounts. Groups of 3 or more from the same organization receive 15%. For larger groups please call.

Payment must be received prior to January 19, 2011

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