

Alzheimer Society

BRANT HALDIMAND NORFOLK
HAMILTON HALTON

**BE A
SUPER HERO!**

**SAVE THE
WORLD FROM
DEMENTIA!**

**ESTATE
PLANNER
GUIDE**

"I can think of no other disease that has such a profound effect on loss of function, loss of independence, and the need for care.

I can think of no other disease so deeply dreaded by anyone who wants to age gracefully and with dignity.

I can think of no other disease that places such a heavy burden on families, communities and societies.

I can think of no other disease where innovation, including breakthrough discoveries to develop a cure, is so badly needed."

**Margaret Chan, Director General,
World Health Organization**

Opening remarks at the First WHO Ministerial Conference on
Global Action Against Dementia, 17 March 2015

This is not a guide to writing your own Will. That is a task you should give to an expert who is familiar with laws and procedures in the province in which you reside.

Please seek expert advice

The Alzheimer Society strongly recommends that you seek professional advice to ensure your financial goals are considered, your tax situation is reviewed, and your charitable gift is tailored to your circumstances. Being a Super Hero means you know when you need a side-kick – a legal advisor. Together you can unleash the power of a legally sound and complete estate plan.

Become one of our Super Heroes! Help us defeat the dark shadow of dementia!

Like the state of dementia diseases today, cancer in the 1960s was considered a death sentence. The diagnosis process often took months, treatment was almost as feared as the cancer itself and the quality of care received was largely dependent on proximity to a teaching hospital. Radical surgery was common, the death rate was high and there was only limited research.

When cancer went from being one of the least funded diseases in the 1960s to one of the most funded diseases in the 20th century, cancer care and treatment was revolutionized, saving countless lives and bringing new hope to many. And with your support, we believe we can do the same for dementia.



A Dark Shadow

In the 1960s, dementia wasn't even on the radar. There were occasional cases of "senile dementia" and "mini-strokes" but there was no treatment per se, and families tended to care for their loved ones at home. Today, an estimated 747,000 Canadians are living with Alzheimer's disease and other dementias, yet people with the illness often feel excluded or stigmatized as if there is a "Dark Shadow" over them. Everyday more than 350 people in Canada develop dementia, more than 15 people every hour.

Diagnosis often takes between 3 - 5 years, treatment is inconsistent, there is a lack of appropriate screening and training, a growing caregiver crisis and dementia isn't even recognized as a chronic disease! And sadly, because there is no cure, dementia is often associated with a loss of hope.

The Dark Shadow is growing. Today's situation is urgent, and incidence is rapidly increasing by 2030, researchers project the number of Canadians living with the disease is expected to rise to nearly one million and by 2050 a staggering 1.7 million in Canada.

We must invest now. By investing in research, education and care programs you can help defeat the Dark Shadow of dementia to save precious minds and lives. By joining our Super Hero Legacy Giving Program and remembering the Alzheimer Society in your estate plans, you will create a brighter future for every generation.

If you have any questions or would like more information about how to plan your charitable estate to provide the greatest benefits to you, your family and the Alzheimer Society, please contact us at the information located on the outside cover of this booklet. We would be happy to assist you in any way we can. Thank you for taking the time to read this information.

What makes a Super Hero?

In our opinion, completing your Will and Powers of Attorney makes you a *Super Hero*. Why? Because you take care of your family, protect your assets and support the Alzheimer Society in the fight against the **"Dark Shadow"** of dementia!

Be a Super Hero – Protect what's important to you today

What makes someone a Super Hero? It's someone who has the courage to protect what's important, sees the needs of others and acts to make the world a better place.

Are you like 62% of Canadians who have not planned for the final distribution of the assets that took you an entire lifetime to build? Or over 75% who have not completed Powers of Attorney for Personal Care or Property.

Many people procrastinate writing a Will and Powers of Attorney because they think their family or the government will look after everything for them, or they just "never get around to it."

Did you know?

- A gift to the Alzheimer Society in your Will can save you taxes.
- Without a Will, the government will decide how your assets will be divided, a lengthy and difficult process. Telling people what you want is not enough. Write it down in a legal Will to make sure your wishes are respected.
- If you are living common-law, do not assume that you have the same rights as a spouse. Without a Will, your partner can be left with nothing except jointly-held assets.
- If you've had children, you need to name an official guardian for your underage children. Don't leave it to your family to sort it out under stressful circumstances. If you have grandchildren, you may want to mention them specifically in your Will.
- Families behave differently under stress. Do not assume that your family will know exactly what you want done with all of your assets.
- Have you married? Divorced? Retired? Changed jobs? It's time to take another look at what you want to have happen in the future and make sure your wishes are respected.

Become our Super Hero today. Complete your Will and protect your Family and assets, save taxes & the world From dementia.

Will Power!

A Will is a written document, properly signed and witnessed, in which you detail how your hard-earned assets are to be distributed after your death.

Every *Super Hero* needs the right tools to protect what's important! Consider a carefully drafted Will as a special super power, because:

- **It saves money!** You can reduce taxes owed upon death.
- **It protects those you care about.** Whether it's looking after your family's future or making a meaningful donation to a charitable organization you support, you can rest easy about those you leave behind.
- **It makes a final statement about who you are. You decide:**
 - Who will be the Executor of your Will
 - Who will look after your kids
 - Who benefits from your lifetime of effort and who inherits your possessions
 - The instructions for your funeral and burial.

Did you know that a person must have mental capacity to sign legal documents? Your capacity doesn't have to be perfect. If you or someone you know is living with dementia and still has capacity, now is the time to get legal documents in order.

You're powerless without a Will...

Without a Will, the province in which you reside will make these decisions for you through the Office of the Public Trustee & Guardian. You also won't be able to:

- Benefit from lower taxes and administration costs
- Benefit from a quick settlement process, which could cause your family to undergo financial hardship
- Donate to your favourite charitable organizations
- Keep your assets out of the provincial treasury if you have no kin.

Wills and Taxes

There are no estate taxes or succession duties in Canada. However, taxes upon death have not disappeared. For Canada Revenue Agency evaluation purposes, all your property - stocks, bonds, RRSPs, real estate, works of art - are said to have been sold at fair market value on the day of your death. This is called a "deemed disposition." For example, you could be taxed after death, if:

- You have assets that have grown in value, like stocks or your cottage.
- You have an RRSP/RRIF and do not have a spouse to whom it can be transferred.

Without a plan, your estate may end up paying taxes at a much higher rate. Being a *Super Hero* means you have the power to control your own destiny. In creating your estate plan, enlist the help of an estate planning expert to guide you. This will help to ensure that you get the most favourable tax treatment possible.

Remember:

A properly drafted signed and witnessed Will is the *only* way to provide an orderly and timely plan for the settlement of your life.

What must I do to be a *Super Hero*?

Step One: Prepare a list of your assets and liabilities

Assets

- Real estate - land, house(s), cottage(s) and condominium(s)
- Personal effects - furnishings, clothing, antiques, jewelry, cars, etc.
- Other property - cash, bank accounts, securities, mutual funds, Canada Savings Bonds, GICs, life insurance policies, annuities, pensions, etc.
- Remember to include your passwords for electronic accounts!

Liabilities

All your debts including:

- Mortgages
- Loans
- Credit cards

Working with an estate professional to create your Will can help decrease fees, taxes, family disputes - which means more money for the people you really care about. Why take unnecessary risks?

Minimize legal fees by being well-prepared.

To determine the value of your estate, subtract your liabilities (what you owe) from your assets (what you own).

Not all your property will be in your Will. Life insurance, jointly held property, and survivor benefits of pension and other retirement plans will pass by contract or operation of law upon your death. Review the title of jointly held property, speak to the appropriate professionals to update the beneficiaries named in your insurance policies and retirement plans.

Step Two: List your beneficiaries

List everyone you wish to remember in your Will. You will want to provide for your dependents first, but here is your chance to be creative. You can give a work of art to a favourite relative, honour a friend or arrange gifts to charitable organizations you believe in and support.

It is easier to allot your estate in terms of percentages, instead of set amounts of money. As your estate grows, you will not have to revise your Will. It is also easier to determine outcomes. For example, if you have three children, you can decide to leave 30% of your estate to each child and 10% to various charities.

By including a gift in your Will to the Alzheimer Society - you can be our Super Hero and help us Fight dementia!

Step Three: **Decide upon an Executor/Trustee and an alternate Executor/Trustee**

One of a Will's important functions is to name an Executor/Trustee (personal representative) to settle your estate and carry out your Will's terms. Choose with care. The role is complex, involving filing tax returns, investing assets and selling (or retaining) property. The job of estate settlement includes submitting the Will for probate (proof of validity), safeguarding and inventorying all estate assets, paying taxes and debts, and distributing the net estate as your Will directs.

If your estate is sizable, select an Executor/Trustee who is familiar with investments, business practices and the sale of property. Or you might wish to name co-Executors/Trustees, one a family member, the other a lawyer, bank or trust company. This option considers that your family members will be grieving and may be overwhelmed with the many tasks that need to be done in a timely and efficient manner.

Things to Think About

- Ideally, your Executor/Trustee should be younger than you.
- Name an alternate in case your Executor/Trustee cannot act or predeceases you.
- An Executor/Trustee, whether an independent professional or a family member, is entitled to reasonable compensation from the estate, up to 5%.
- Ask the person and ensure they understand the duties involved.
- Will your spouse be your Executor? Do you plan to appoint a co-Executor? If there are three or more Executors, do you want a "majority decision" binding clause in your Will?
- If your Will leaves property in trust, you should designate a separate Trustee as well. Because trusteeship can be a relatively long-term job, banks or trust companies often fill this position.
- Will your spouse be your Executor?
- Do you wish to appoint a co-Executor with your spouse?

Step Four: **Create your Will**

If your estate is straightforward, your Will should be simple and may involve only a modest expense. You can choose from several options to create your Will.

1. Write your own Will

A Will prepared in your own hand is called a holographic Will. Not all provinces recognize them as valid, and requirements, such as witnesses, may differ from province to province. Questions may arise as to your real intent and your estate could be tied up in court for many months.

Your Will is too important to attempt without professional assistance. Don't try to draft your own Will and don't copy someone else's. Errors in the wording or omitting clauses in even the simplest Will could have expensive consequences for your heirs.

2. Your lawyer drafts your Will

For a fee, your lawyer will draft your Will in precise language so there will be no doubt of your intentions. Laws that govern matrimonial property and dependent relief legislation affect your Will. The use of a lawyer will give you the assurance that your Will is valid, and all legal requirements have been met.

3. A trust company drafts your Will

Most trust companies can prepare your Will. If you are already banking at a trust company, using the same company to help plan your Will and administer your estate may be very convenient.

Step Five: Sign and witness your Will

Signing and witnessing is critical to the validity of your Will. Requirements differ from province to province. Here's some advice:

- You and your two witnesses sign in each other's presence.
- Neither beneficiaries nor their spouses should be witnesses.
- As one or both witnesses may be called upon to give evidence as to the execution of your Will, they should be residents of Canada.
- It is recommended that your witnesses be younger than you.
- In addition, a document required for the "probate" of the Will (called an affidavit of execution) should be signed and sworn by one of the witnesses, shortly after the Will is signed.

What's in a name?

Identify each beneficiary precisely. Your Will should leave no room for doubt. Use care: various charities may have almost identical names. Charities will gladly supply you and your advisor(s) with all necessary information, including the charitable registration number.

Step Six: Keep your Will up to date

Once you have drafted your Will, don't allow it to become outdated. A Will drafted a few years ago reflects your thinking and lifestyle at that time. Consider what may have changed:

- **Tax laws** - Your Will should reflect the latest tax saving strategies.
- **Family circumstances** - A birth, a death, or a move to a new province may indicate the need for a revision to your Will. Marriage necessitates a new Will.
- **Your investments** - Your stocks have increased (or decreased) in value. You have purchased property, acquired a work of art or started a small business.
- **Your wishes** - You may now want to add a new beneficiary, change your Executor/Trustee, or increase your support to charitable organizations.

Safekeeping of important documents

Keep the following documents in a place where they can be easily located. Easy access to the information will help in making funeral arrangements and in estate administration.

1. Birth certificate and social insurance number
2. Insurance papers and policies
3. Bankbooks and investment statements
4. Credit cards
5. Pension benefits
6. Copies of your tax returns
7. Burial plot information
8. Any funeral pre-arrangements
9. Passwords for any electronic accounts

Why should I have a Will?

Because if you die without a Will, the provincial government will decide how your assets will be divided—not you. You can protect your family, gain peace of mind, save tax and help defeat dementia – just by doing your Will and including a charitable gift to the Alzheimer Society.

Where should you put your Will?

Don't hide your Will! Many Wills have been lost, leaving family and friends with the same anxiety and financial burdens as if there was no Will at all.

- Tell your Executor and family where the original Will is kept.
- Keep an unsigned copy at home for reference.
- File the original with your lawyer or trust company.

Should you keep the Will in your safety deposit box?

That's a common solution. However, in some provinces safety deposit boxes are sealed at death, so the Will is not immediately available. If you leave your Will in your safety deposit box, arrange for your Executor/Trustee to have access or there may be delays in gaining access. The best solution, usually, is to leave the signed Will with your Executor/Trustee, your lawyer, or with the bank or trust company named as Executor/Trustee.

What is probate?

Probate is the process that confirms the Executor/Trustee's authority to distribute assets of a deceased person's estate. A probate certificate is known as a Certificate of Appointment of Estate Trustee With (or Without a Will). It is the recognition by the provincial court of the validity of your Will and the appointment of the person named as Executor/Trustee. Granting of the "letters probate" is notice to the public that the Will complies with the basic formal requirements and that the Will was not being challenged at the time of probate application. There is a fee for this governmental task. Ask for our Fact Sheet on probate.

Calling all Super Heroes!

Super Heroes face big challenges. Our mission is huge. That's a fact. That's why we need you. Please consider joining us in our fight to defeat the dark shadow of dementia! Together - we can do it.

Our mission:

- Every single person living with dementia is empowered to live well with the disease
- Caregivers have access to high quality services
- Researchers have enough funds to do breakthrough work
- New treatments have been found to slow dementia
- A cure is discovered



One of the best ways to support our mission is to get into action, make your Will, protect your family and leave a charitable gift in that document to the Alzheimer Society. Not only will the Alzheimer Society benefit, but you will too. One of your Will's **super powers** allows you to save taxes on your estate while helping us in the fight against **The Dark Shadow** of dementia!

You may be thinking, I'm just an ordinary person, doing ordinary things, I'm no **Super Hero**. Maybe not, however, if your core beliefs include protecting those you love, standing up for what's fair and right, and you think that the world can be a better place – in our opinion – you are a Super Hero. After providing for your family and heirs, your Will allows you to help others in your community and far beyond, we think that's very cool.

Power of Your Will - not all Super Heros wear capes

Simple	A bequest is easy to arrange. Simply instruct your lawyer to include a bequest to the Alzheimer Society in your Will or codicil.
Cost-effective	There are no extra out-of-pocket costs. Your present income will not decrease.
Flexible	Your bequest can be for a specific amount, a percentage of your estate, or the residue of your estate – that is, a gift after your debts have been paid and other bequests made.
Tax planning	The Alzheimer Society will issue a charitable tax receipt for the full value of your bequest. Your estate will use this receipt to reduce the tax payable on your final tax return. If your bequest exceeds 100% of your net income in the year of death, the excess may be carried back to the previous tax year.
Tax relief	A charitable Will bequest is a highly effective way to reduce estate taxes.
Control	You retain use of the assets for the duration of your lifetime.
Peace of mind	You can make changes to your Will at any time.
Satisfaction	Legacy gifts are made for personal reasons in addition to ensuring that the Alzheimer Society continues leading the fight against Alzheimer's disease and other dementia. Your bequest can create a lasting memorial for you, your family or anyone you may wish to honour.

Sample Charitable Bequest Language

Specific, unrestricted:

I give, devise and bequeath to the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton the sum of \$_____ to be used for any purpose(s) approved by the Board of Directors of the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton.

Specific, restricted with escape clause:

I give, devise and bequeath to the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton the sum of \$_____ to be used for the following purpose(s) _____. If the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton is unable to apply all or part of these funds for the specific purpose(s) stated herein, the balance of this bequest not so extended may be used for any purpose approved by the Board of Directors of the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton.

General % unrestricted:

I give, devise and bequeath to the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton ____% of the residue of my estate to be used for any purpose(s) approved by the Board of Directors of the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton.

General %, restricted with escape clause:

I give, devise and bequeath to the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton, ____% of my estate to be used for the following purpose(s) (ie - research or programs) _____. If the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton is unable to apply all or part of these funds for the specific purpose(s) stated herein, the balance of this bequest not so extended may be used for any purpose(s) approved by the Board of Directors of the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton.

Residual contingent trust:

Upon the death of the survivor of my (wife, husband, daughter, son etc.) here named, _____, I direct my trustee to transfer and deliver the balance of the residue of my Estate, including any undistributed income to the Alzheimer Society Foundation of Brant, Haldimand Norfolk, Hamilton Halton to be used for research purposes, if a cure has been found, I direct the funds to be used in the following way _____.

Charitable Clause with instructions to Trustee/Executor re: capital gains elimination:

I give, devise and bequeath an undetermined amount of my estate to be divided equally to the list of charities (list charities here) These charities shall receive assets such as publicly traded securities and mutual funds in order to reduce the capital gains owing against my estate. I further instruct my Trustee to calculate the amount of such donations to negate any capital gains owing within the rules and regulations determined by the Canada Revenue Agency.

Please use our charitable registration number in your bequest.
It can be found on lower corner of back cover.

Did you know that over 62% of Canadians do not have a valid Will?

Anyone with assets, even if it is just a bank account, should have a Will. You can protect your family, gain peace of mind, save tax and help us defeat dementia – by doing your Will and including a charitable gift to the Alzheimer Society.

Did you know that a gift in your Will to the Alzheimer Society can help you **leave more to your loved ones** and **less to the government**? Yes, the government will **reward** you for being a **Super Hero** on our behalf!

The Facts!

When a donation to the Alzheimer Society is made in your Will, it is considered to have been made immediately before you died. You can also name charitable organizations as the beneficiary of an RRSP, RRIF or TFSA, or a life insurance policy. Depending upon your net income in the year of death and the previous year, and the total donation amounts, taxes that were paid in the year before your death may be rebated and taxes owed in the year of death may be eliminated.

The Reward!

On your final tax return, your Trustee/Executor can claim all charitable donations made in the year of your death, those made in your Will, and those directly transferred from RRSPs, RRIFs, TFSAs, or life insurance policies. A claim may also be made for any carried-forward donations from the previous five years that were not claimed, to a maximum of 100% of your net income. Any excess can be claimed on the tax return for the previous year, again to a maximum of 100% of your net income for that year.

This can get tricky to calculate as assets fluctuate, and of course not many of us know in advance when we will pass away. How can you effectively tax plan so that your estate pays the least amount of taxes possible? It is a crucial step to speak and plan with your financial planner to ensure you get the best tax breaks!

Here is an example of an effective clause: *I direct my Trustees to determine the income tax payable by my estate at the time of my death- the Final T1 Tax return- and to further determine the income tax owed or paid in the year immediately preceding my death; I further direct my Trustees to pay in equal shares to a total of the above calculated amount to the following charities (charities' legal names are inserted here) in order to reduce my Final T1 Tax return to nil and ensure that tax owed or paid in my previous year's return is nil and the taxes previously paid are refunded to my estate.*

Reward! Tax Rebate!

The Federal Government will **reward** Canadians who leave a gift to the Alzheimer Society in their estate plans! Yes! You read that right! You can **eliminate** taxes owed by your estate and get a rebate of taxes **already paid** allowing for the increase of inheritances to your loved ones.

Here are a couple of examples on how that works.

Our SUPER HERO gives a charitable Will bequest totaling =	\$200,000
Tax payable—Final year:	
Our Super Hero's net income in year of death =	\$175,000
Minus: Tax credit for donation (100% x \$175,000 net income) =	\$175,000
Tax payable =	\$ 0
Previous year:	
Our SUPER HERO'S net income in the year previous to death =	\$ 70,000
Tax paid in previous year = (assuming 35% rate x \$70,000) =	\$ 24,500 paid
Donation carried back to previous year (\$200,000 bequest – \$175,000 tax credit used in final year) =	\$ 25,000
Taxable income = \$70,000 - \$25,000 donation =	\$ 45,000
Tax payable (assuming 35% rate x \$45,000) =	\$ 15,750
Taxes rebated to estate (\$24,500 - \$15,750) =	\$ 8,750 rebate
Benefits:	
<ul style="list-style-type: none"> The income tax for the year of death has been eliminated. The income tax for the previous year which has already been paid is reduced and rebated. 	

We are urging everyone be a Super Hero and complete their Wills. And do your Powers of Attorney too!

With dementia on the rise, it is staggering that:

- Over 75% of Canadians do not have *Powers of Attorney for Care and Property*.
- Over 62% of Canadians do not have a *Will*.
- Only about 15% of those who do a Will leave a charitable gift in their estate plans - despite this being an excellent way to save tax.

It is crucial that Canadians complete a valid and up-to-date Will and Powers of Attorney for Property and Personal Care before any potential capacity issues arise.

Notes and Comments

[illegible]



Thank you For your consideration!

*What you do today can make a difference
to your own well-being and to the future of the
people you care about. Help us defeat
The Dark Shadow of dementia by considering
leaving us a gift in your estate plans.*

Please seek expert advice

The Alzheimer Society strongly recommends that you seek professional advice to ensure your financial goals are considered, your tax situation is reviewed, and your charitable gift is tailored to your circumstances.



Alzheimer
Society



SUPER HEROES

**DEFEAT THE DARK SHADOW OF DEMENTIA.
JOIN OUR LEAGUE NOW!**

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Charitable Registration #894537984 RR0001