

# BUSINESS OWNER SOLUTIONS

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Business owners today face many challenges. As a business owner, you want to make sure that you have the right mechanisms in place to protect the precious business that you are working so hard to build. We have a number of solutions for you covering subjects of concerns such as Key Person Insurance, BuySell Agreements, Tax solutions and Asset protection.

## **Solutions for Business Owners using Life Insurance**

- Protect your business not your lender. Most importantly, individual life insurance does not insure your lender, it insures the business that you are building.
- Tax advantaged payout from your capital dividend account (if eligible)
- Funding for business buy/sell agreements to help ensure tax effective means of transferring excess corporate assets to the next generation.
- Financial protection from the loss of a key employee
- Funding for split dollar agreements
- Succession planning
- Additional deposit option – allows you to pay additional premiums, which are used to purchase additional paid-up insurance, enhancing your policy's death benefit and your ability to accumulate tax advantaged cash value.
- Optional benefits: applicant death or disability waiver of premium; total disability waiver of insurance; premium payor waiver insurance; accidental death insurance; guaranteed purchase option; renewable and convertible term life insurance; spousal insurance; children's insurance.

## **Benefits for employees:**

- An effective fixed-income investment alternative that provides tax-advantaged growth opportunities within a permanent life insurance policy.
- The potential to supplement your retirement income

## **Business Owner Solutions using Disability and Critical Illness Insurance**

### Benefits to the employer:

- Premium contributions are tax-deductible
- A stable and predictable business expense
- May help attract and retain key employees
- Help avoid the cost of continuing salary payments for a disabled employee
- A group premium reduction may be available if three or more employees apply together.

### Benefits to the employee:

- Quality individual non-cancellable disability coverage
- No premium payment while under the SCP
- Portable coverage
- Return of Premium benefit goes to the employee

It is generally less expensive for the employer to pay the premium under a group plan than it would be to increase the employee's income to allow him or her to pay the premium on a personal policy.

## **Financial Planning for Business Owners**

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Business owners face unique challenges, and opportunities, in terms of financial planning. You've worked hard to develop your ideas into a successful business, or perhaps you're considering moving into self-employment. Regardless of your situation, choose a financial planning strategy that takes advantage of your unique situation.

If you are considering moving to self-employment, contact me to discuss how to revise your financial plan. Working together, I will help you adjust from a situation where a previous employer might have provided benefits, such as health or life insurance or a company pension. Life and disability insurance can be difficult to purchase at first, since many insurers want two years of tax results. As well, self-employed people can gain tax write offs for some health insurance premiums.

You may also need to negotiate a bank loan or line of credit to help fund office space, materials and other business investments. I can help you explore options to effectively secure these start-up expenses.

Tax planning is another important component of a strong business strategy. Depending on your business, consideration may include paying wages or collecting GST. You also need to pay your own CPP and EI, and possibly make quarterly tax installments. As well, you can take advantage of capital cost allowances on equipment such as computers or vehicles, and business expenses such as advertising, salaries, or travel.

No matter what stage of growth your business is in, contact me today to design a tax efficient business planning strategy.

**Contact Anne today to discuss appropriate strategies for your business.**