

## Profits & Perils of Avoiding Probate

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Probate confirms a Will as valid and is the tax levied for doing so. While avoiding it saves time and money, it can create unintended consequences.

Costs: Based on estate asset value. Alberta tops out at \$525; Quebec has no probate fees (small filing fee only).

### Legal Strategies to Avoid Probate:

- Gift - Property given away during your lifetime does not form part of your estate
- Joint Ownership - Assets held jointly pass to the surviving owner automatically
- Insurance Beneficiary Designation - Death benefits paid directly to named beneficiaries
- RRSP/RRIF/TFSA Beneficiary Designation - Registered plan proceeds paid directly
- Successor Owner on Segregated Funds - Policy passes intact to successor owner
- Trust, Estate Freeze, Secondary Wills (Ontario and BC)

Perils to Consider: Naming a direct insurance beneficiary may prevent use of a testamentary trust. Jointly transferring investments may trigger premature capital gains tax. Always plan carefully with qualified tax and estate specialists.