Dear Sir/Madam:

Re: Tax Planning Using Private Corporations

As a shareholder of a private corporation, I write in response to the July 18, 2017 consultation paper released by the Department of Finance.

Small business is important to the Canadian economy. Business owners take substantial economic risks, work long hours and employ a large segment of the population. The impact of these proposals on the economy and on Canadian entrepreneurship concerns me.

Rather than “closing loopholes” these proposals represent a fundamental change in the taxation of private corporations and their shareholders. The detailed consideration this serious matter deserves requires more time than the 75 summer days provided.

My specific concerns include:

* The complex and subjective “reasonableness test” applied to the payment of dividends to family members actively working in the business
* Burdensome tax rates on corporate investment income
* Significant tax imposed on the death of a shareholder of a private corporation

While the consultation paper repeatedly says that the proposals target “high income” taxpayers, the target is in fact middle income owners of private companies.

The proposals create uncertainty, add financial risk, discourage small business and ultimately will damage the Canadian economy.

Yours truly,

**Key Recipients**

The Right Honourable Justin Trudeau PC MP

Prime Minister of Canada

The Honourable Bill Morneau PC MP

Minister of Finance

Mr. Andrew Scheer MP

Leader of the Official Opposition

Mr. Pierre Poilievre, MP

Conservative Finance Critic

Your local Member of Parliament

Addresses available at [<https://www.ourcommons.ca/Parliamentarians/en/constituencies>](https://www.ourcommons.ca/Parliamentarians/en/constituencies)