

# Year-End Tax Tips

By Kevin Dolan

1. **Year-end tax loss selling:** The deadline to act for Canadian and US positions is December 30 in taxable accounts. Please note that US and Canadian exchanges are closed on December 25, and Canadian markets are also closed on the 26th for the holidays. Capital losses can only be used to reduce or eliminate capital gains. You can carry back the losses to any of the three preceding taxation years or carry them forward indefinitely. You must wait 31 days after selling a position before buying it back in any related account (such as RRSP, RRIF, spouse's, etc.) if you want to claim the loss.
2. **Final RRSP contribution:** If you turned 71 years of age in 2024, you must make your final RRSP contribution by December 31. However, if your spouse is less than 71 years of age, you may be able to make a Spousal RRSP contribution.
3. **TFSA withdrawals:** If you are considering a withdrawal from your TFSA, consider doing it before year-end, rather than in 2025. If you wait to do it in 2025, you will have to wait until 2026 to re-contribute the funds.
4. **RESP contributions for beneficiaries aged 17 years:** A contribution must be made by December 31 to be eligible for a final grant.
5. **RESP contributions for beneficiaries aged 15 years:** If a child has not been named as a beneficiary of a RESP, a contribution must be made this year to be eligible for government grants at age 16 and 17.
6. **First Home Savings Account:** Anyone over the age of 18 years should open a FHSA to start their \$8,000 per year of tax-deductible Contribution Room. For anyone with a FHSA who turned 71 years old in 2024, the FHSA must be closed.
7. **Remove prohibited investments from Registered Accounts:** The government has instituted restrictions on holding the shares of private companies and "non-arm's length" investments for people with more than 10% ownership.
8. **Charitable donations:** You have until December 31 for them to qualify for the 2024 tax year. Many charities now offer on-line payment with an e-mailed receipt.
9. **Fees and expenses:** Pay investment related expenses, investment counselling fees, childcare expenses, medical expenses, interest on student loans, and spousal support payments to qualify as a 2024 tax deduction.
10. **CPP and OAS:** For those who are less than 65 years of age, consideration should be given to applying for benefits.

