



SSC # 140 – THE HIDDEN RISKS IN JOINT OWNERSHIP: TAX, LEGAL & ESTATE PITFALLS ADVISORS MUST AVOID

This course is eligible for:

4.0 Life & A&S CE Credits for BC, AB, SK, MB & ON.

4.0 Life ONLY CE Credits for AB.

Target Audience

This course is designed for:

- Financial advisors
- Insurance advisors
- Estate planners
- Financial planners (CFP®, PFP®, QAFP™)
- Accountants and tax practitioners
- Lawyers seeking cross-disciplinary insight
- Compliance officers and suitability reviewers
- Wealth managers and private-client advisors
- Trust officers and estate administrators

Course Purpose

The purpose of this course is to equip advisors with the **tax, legal, estate, and behavioural knowledge** required to identify and prevent the hidden risks embedded in joint ownership structures.

Joint ownership is one of the most **misunderstood, misapplied, and dangerous** estate-planning tools in Canada. Clients use it casually — often without legal advice — believing it is a simple probate-avoidance strategy. *In reality, joint ownership can trigger:*

- Deemed dispositions
- Attribution
- Loss of the principal residence exemption
- Family law exposure
- Creditor exposure
- Double taxation
- Estate disputes
- Loss of control
- Loss of intended inheritance

- CRA reassessments
- Bare trust reporting obligations

This course empowers advisors to:

- Recognize red flags
- Ask the right questions
- Document concerns
- Intervene early
- Protect clients from preventable harm
- Avoid compliance and liability exposure

Learning Objectives

By the end of this course, advisors will be able to:

1. Identify the different forms of joint ownership

- Joint tenancy with right of survivorship (JTWROS)
- Tenants-in-common
- Bare trusts
- Convenience accounts
- Beneficial vs legal ownership distinctions

2. Recognize the tax traps created by joint ownership

- Deemed dispositions
- Attribution rules
- Capital gains exposure
- Loss of principal residence exemption
- Bare trust reporting
- Double taxation at death

3. Understand the legal and estate-planning risks

- Resulting trust presumption
- Pecore v. Pecore and Madsen v. Madsen
- Family law exposure
- Creditor exposure
- Loss of control
- Estate litigation triggers

4. Detect behavioural red flags

- Secrecy
- Urgency
- Family pressure
- Cognitive decline
- Convenience-based decisions

- Misunderstanding of probate

5. Apply a red-flag framework to real client situations

- Ask clarifying questions
- Identify risk clusters
- Document concerns
- Recommend professional review
- Protect themselves from liability

6. Provide safer planning alternatives

- Multiple wills
- Bare trust documentation
- Powers of attorney
- Trusts
- Beneficiary designations
- Insurance solutions
- Estate equalization strategies

7. Integrate compliance and suitability standards

Advisors will learn how to:

- Document joint-ownership discussions
- Avoid overstepping into legal advice
- Escalate appropriately
- Protect the firm and the client