



SSC # 142 – THE HIDDEN TAX TRAPS ADVISORS MISS: A RED FLAG APPROACH TO EVERYDAY PLANNING

This course is eligible for:

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

2.0 Life ONLY CE Credits for AB.

Target Audience

This course is designed for Canadian financial professionals who must recognize tax-risk exposure in everyday planning without providing tax advice, including:

- Financial advisors and planners (MFDA/IIROC/CIRO, insurance-licensed, dual-licensed)
- Life-licensed insurance advisors
- Wealth managers and private-client advisors
- Bank-based advisors and financial specialists
- Estate planners and trust officers
- Retirement income planners
- Compliance officers and suitability reviewers
- New advisors seeking a structured tax-risk framework
- Experienced advisors looking to strengthen their red-flag detection skills

It is especially valuable for advisors who:

- Regularly encounter client decisions with hidden tax consequences
- Need to identify when to escalate to tax professionals
- Want to avoid compliance breaches related to “accidental tax advice”
- Work with aging clients, blended families, business owners, or cross-border situations
- Want to strengthen documentation, suitability, and risk-management practices

Course Purpose

The purpose of this course is to equip advisors with the **knowledge, frameworks, and red-flag systems** needed to identify hidden tax traps in everyday planning — **without providing tax advice**.

Clients make tax-sensitive decisions every day:

- Adding children to title
- Withdrawing from RRSPs or RRIFs

- Triggering capital gains
- Opening joint accounts
- Selling cottages or rentals
- Starting side businesses
- Moving provinces
- Spending time in the U.S.
- Making gifts or loans to family
- Buying or selling corporate assets

Most of these decisions are made **without tax advice**, and often without the advisor's awareness.

This course helps advisors:

- Recognize when a client's decision has tax-risk implications
- Identify the red flags that signal deeper issues
- Ask clarifying questions safely
- Document concerns properly
- Avoid crossing into tax advice
- Know when and how to escalate to tax professionals
- Protect clients from preventable harm
- Protect themselves from compliance and liability exposure

This is a **tax-risk awareness course**, not a tax-advice course. It strengthens the advisor's ability to **spot danger early**, not to calculate tax outcomes.

Learning Objectives

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

1. Identify the most common tax traps in everyday planning
2. Recognize behavioural and situational red flags that signal tax-risk exposure
3. Distinguish between tax-risk identification and tax advice
4. Apply a structured red-flag framework to real client situations
5. Document tax-risk conversations in a compliance-aligned manner
6. Know when and how to escalate to tax professionals
7. Strengthen their overall planning process by integrating tax-risk awareness