

BC PARTNERS IN PLANNING

THE PARTNER news

Designating a Beneficiary and Successor Holder/Annuitant for RRSPs & TFSAs

As you know, it is our recommendation that everyone who can, own a Tax Free Savings Account (TFSA). A TFSA allows for the tax free accumulation of assets (similar to a principle residence), so possessing one is just plain smart. The catch to this account is that you need to fund it with after tax income. Inheritances count as after tax income.

We also recommend a Registered Retirement Savings Plan (RRSP) for those with higher employment income.

For both a TFSA and a RRSP, it's important to assign a beneficiary and, where applicable, a successor annuitant to the account (only a spouse or common law partner can be named as a successor annuitant). By naming someone in these roles, you are ensuring your accounts aren't frozen in your estate, making the transfer more efficient, and minimizing or eliminating probate fees. In addition, having someone assigned to the account maintains a better level of privacy. If you don't have anyone listed in either of these roles on your account(s), your assets pass through your estate, becoming public information and resulting in probate tax (in BC this is 1.4%).

There are different benefits and functions for the roles of beneficiary and successor; it is important to understand the differences before choosing who to appoint.

Successor holder/Annuitant

The only individual who can be appointed as successor holder/annuitant is your spouse or common-law partner. Once appointed, upon your death, they will take over the account and become the new holder, with the funds intact. They will be able to use the account as their own,

eliminating the need for probate or any administrative delays, which ensures a smooth transition. The real benefit, however, is that it is not necessary to close the account, but rather transfer it over to the remaining spouse, thereby allowing the investment(s) to continue to grow on a tax free basis and to be available for eventual tax free distribution. Of course further contributions are no longer allowed in this account (but they are in the remaining spouses TFSA account...which is currently \$7,000 per year).

If only a Beneficiary is named

In the event of your death, the beneficiary will receive all the funds in the TFSA or RRSP, and the account will be closed. A beneficiary can be anyone you choose, whether a family member, friend, or qualified charity. The biggest advantage here if you don't have a spouse and name a beneficiary is that the proceeds flow tax free to the beneficiary and there is no probate to be paid. By avoiding probate, the funds can transfer immediately and do not require the many months delay of filing and being granted probate.



"And the beauty part is you can be your own beneficiary for the first eight times."

Who's Behind the Books?

Barbara Lang, MSc.
Corporate Secretary, Coda Trust

In this edition, we talked to Barb, who is Blair's wife, and has been part of BCPIP from the beginning.

BCPIP: Can you share a bit about yourself and how you first became involved with BCPIP?

Barb: I grew up in Kimberley and moved to North Vancouver with my family when I was 16. I graduated from Hands-worth and set off on a journey that eventually resulted in meshing my own career interests with the BCPIP family business. I went to SFU for my BSc. in Kinesiology and later obtained a MSc. in Occupational and Environmental Health at UBC. Occupational Hygiene is a slightly obscure, multi-disciplinary, but interesting field and I've had a wide variety of roles over the years. My Master's project was a risk assessment of heavy metal exposure (lead, arsenic and cadmium – not music!) at the smelter in Trail which was fun for me since Trail and Kimberley were both Teck/Cominco towns.

I was working in research at the BC Cancer Agency when BCPIP was starting out in 1996, and I helped out with small projects (like the newsletter). As the business and the MacLean/Lang and Snowball families expanded, I got more involved.

BCPIP: You've worn multiple hats at BCPIP, can you tell us about a few?

Barb: I created BCPIP's first website in 2011 and enjoyed that, especially compiling the history of our journey. I like managing data, and it was great to work with Klaus to build efficiencies into processes. Marian had me learn each of the support tasks to ensure back up with staff changes, and when Ken retired I took on some of his behind the scenes roles. It was interesting to learn the connections between the various pieces of BCPIP and I implemented software and procedures to streamline BCPIP Law.

My primary involvement now is as Corporate Secretary for Coda Trust Company - another learning curve for me!

BCPIP: With your background, you clearly have a passion for science. Do you ever see yourself returning to that field?



Barb: Yes! I have stayed involved in various research projects and citizen science initiatives over the years and plan to continue!

BCPIP: You recently traveled to France for the Women's Tour de France! Having been a participant, could you share some highlights?

Barb: I spent the 1980's cross-country ski racing in winters and bicycle racing in summers. I was Canadian Road Race Champion in 1985 and as part of the National Cycling Team, I rode the Tour de France Feminin in 1987. The race existed from 1984-1989. We rode much shorter distances but it was so exciting to be part of this epic race, riding through villages and climbing mountain stages with crowds lining the roads. A film was produced about this era, which has inspired reunions with the "Original" riders.

In August, Blair, our son Colin and I joined a group of Originals to watch the women's race which, after years of lobbying, started again in 2022. It was super fun to see how far women's cycling has come – the sponsorships, the entourage following the race and the depth of the riders. We laughed about the differences in support from the 1980's – we washed our cycling clothes in the sink at night and now they have laundry machines built into team buses!

BCPIP: What hobbies or activities do you enjoy outside of work?

Barb: My current favourite hobby is playing the accordion. I started during Covid and I am loving it! I have several knitting projects on the go and I like getting out in the woods, hiking, mountain biking, and cross country or back country skiing.

BCPIP: Wow! Thank you so much for telling us about your exciting endeavours!



Barb (3rd from right) with a group of "Original" riders at the Tour de France Femme in 2024

Technical Profile Klaus Rudert,

Owner

iBusiness Vantage Systems

We are excited to talk with Klaus Rudert, owner and founder of iBusiness Vantage Systems. Klaus has worked with BCPIP for over 20 years in the role of IT Director par excellence, and is here to tell us about his journey in this field.



BCPIP: How did you originally get into Information Technology (IT)?

Klaus: I was born and raised in South Africa. My interest in IT began early - I wrote my first program (an address book to keep track of my friends) by age 11. Though I was fascinated by programming and IT, the initial plan was to take over my father's company, which manufactured train control systems. I did electrical engineering and worked with him for 18 months, but soon realized that path wasn't for me. As an engineering student, I was writing software for various companies to manage their finances, purchasing, and inventory. At 25, I moved to Canada and soon realized I wouldn't get as far in my career unless I started my own business. For me, getting into IT was a natural progression because of my early interest in the challenge of improving systems.

BCPIP: How did you start up business Vantage System? What various services do you offer?

Klaus: When I told the company I was working for at the time that I wanted to resign and start my own business, they laid me off, which allowed me to enrol in a self-employment program. Their support during this time made a huge difference. While I was taking courses and starting my business, my wife was working at BCPIP, and I knew Blair from Rotary. BCPIP asked me to manage their IT and I had such a positive experience, that I even adopted BCPIP's business model because I liked how they assess value, emphasize a very close relationship and look out for clients' best interests. I designed my entire business plan around accounting and financial planning firms. I quickly realized that BCPIP was very unique in the way they thought and ran their business. To this day I have never seen any of my other clients run their business in that capacity. Initially, nearly all my clients came from BCPIP referrals.

For the services I offer, I typically set up systems, manage the networks and integrate systems for clients to provide a smoother workflow.

BCPIP: What's your favourite thing about working in IT that's kept you doing it for so long?

Klaus: I like how multifaceted IT is. I got out of programming full-time because it was too singularly focused for me. IT allows me to tackle various challenges. I help clients integrate with technology into their business across different verticals. My favorite part is making a difference in people's daily lives, helping them be the best they can be in their professional environments. If I can't make a difference in people's lives, I'm in the wrong business.

BCPIP: How do you like to spend your time outside of work?

Klaus: I play soccer with a men's league and enjoy cycling. I ride in the Seymour Demonstration Forest which is near our house. My wife and I are very involved doing activities with our kids. We have a 17 year old son who is active in BMX cycling and loves skateboarding, and a 15 year old daughter who enjoys art and drama. The kids keep us busy.

When I have spare time, I'm developing a stock market analysis system, which has been fascinating. Another hobby is developing software on my own private AI server, as it allows me to feed it confidential data without risk. I am working on a framework so that I can ask systems data questions in natural language questions, for example 'show me the top 10 clients'. I am blown away with the new DeepSeek R1.

BCPIP: What do you hope is the next step for your self and iBusiness Vantage?

Klaus: I really like working, so I don't see myself retiring anytime soon. I want to continue spending more time with my family. For iBusiness Vantage, I'm bringing a new business partner on board and looking to continue growing the company.

BCPIP: Thank you for talking with us. We are fortunate to have you at BCPIP and are excited to see iBusiness Vantage grow!



Client Profile

Laurel and Kevin Parkinson

— Ophthalmologist

Laurel and Kevin have been clients of BCPIP for over 20 years. Kevin runs his own ophthalmology practice and together they have embarked on some incredible adventures. We are excited to hear what they have to say!

BCPIP: Tell us a bit about yourselves, how long have you lived in Vancouver, how did you meet, and how did you find BCPIP?

Kevin: Laurel and I both grew up in Vancouver, living just about a mile apart, but we didn't meet until we joined a running team. Our first meeting was quite an adventure—during a 20-hour overnight run from Jasper to Banff. After that, we started getting to know each other, and athletics have been a significant part of our relationship ever since. We both studied at SFU and then I went to medical school and finished as a general family doctor before I decided to specialize. Later on, after graduating from ophthalmology, I ended up buying my practice here in Vancouver and we have been here ever since! We were introduced to BCPIP through one of Laurel's study partners from SFU. She and her husband were clients of BCPIP and referred us to them. We have been with BCPIP 20+ years and they have provided us with peace of mind over our financial matters, insurance claims, Wills, and whatever other challenges come along. Thanks to BCPIP's guidance, we are now contemplating retirement at 60 and looking forward to enjoying life even more.

BCPIP: What led you to become an ophthalmologist, and what has your career been like?

Kevin: After graduating as a family doctor, I spent two years of practicing and doing locums around the province, at one point even being the only doctor in Lytton, BC. During my time, I realized my true interest was in the eye, leading me to pursue ophthalmology. However, I hadn't specialized early on, which made it challenging to get into resi-

ducing. Thankfully, I was invited to Western University as a visiting GP, which eventually led to a residency spot. After completing my residency and a fellowship in Florida, I wanted to build my own practice. I reached out to a lot of clinics across Canada and the one that worked out just happened to be my childhood ophthalmologist in Vancouver. I started working there, and was eventually able to buy the practice. Now I'm semi-retired and see patients twice a week, do some consulting on the side and write articles about ophthalmology and medical issues. This keeps me involved in ophthalmology and allows me to offer my expertise to various companies.

BCPIP: How do you spend your free time?

Laurel: We remain committed to staying active and fit. Kevin is very tall (6'8") and played university basketball throughout most of his education. Together we've completed the Boston Marathon, various triathlons, and our biggest challenge yet, the Machu Picchu Marathon. While I focus on golf and running, Kevin transitioned more into cycling. We love to travel and aim to do more. We enjoy cruises, road trips, and have even driven across the country to New York for a bike trip. One of our most memorable trips was to a bike hotel in Italy.

BCPIP: Do you have any exciting plans for the future?

Laurel: We are thrilled about an upcoming cruise in South America! We're exploring potential retirement spots to escape the winters, considering places like Arizona, Palm Springs, or even Australia, where I have family.

BCPIP: That sounds like it will be amazing! You guys have such great stories, thank you for sharing. We hope you have fun in all your future adventures.



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