

Advisory

Estate and Trust Taxation: Important Considerations

This Advisory provides an overview of some of the key rules regarding the Canadian taxation of estates and testamentary and inter vivos trusts, including spouse, alter ego, joint partner and other life interest trusts in domestic estate planning and trust and estate administration.

TYPES OF TRUSTS

Definition and Creation of a Trust and Other General Trust Principles

A trust is considered a separate entity and is a taxpayer under the *Income Tax Act* (Canada) (the "ITA"). Please refer to our Advisory "[Using a Trust in Your Estate Plan](#)" to learn more about general trust principles, such as the legal nature of a trust, how a trust is created, dual ownership under a trust, and key provisions of a trust agreement.

Inter Vivos and Testamentary Trusts

A trust may be established during a settlor's lifetime (an "inter vivos trust") or it may be established under a will and, as a result, it will only take effect on death (a "testamentary trust"). The estate of a deceased individual is deemed to be a trust under the ITA and is taxed as a trust. The person who settles or creates an inter vivos trust is called the "settlor". If the trust is testamentary, the person who made the will under which the trust is created is called the "testator".

Life Interest Trusts

Qualified spouse trusts and alter ego and joint partner trusts (collectively referred to in this Advisory as "life interest trusts") are taxed on the deemed disposition of the assets in the trust on the death of the income beneficiary (or the death of the surviving income beneficiary in the case of a joint partner trust), unless the assets are disposed of at an earlier date. This allows for a deferral of tax on any unrealized capital gains in the trust

until the death of the income beneficiary (or last surviving income beneficiary in the case of a joint partner trust), at the latest. All accumulated capital gains in the trust are taxed at that time.

Qualified Spouse Trusts

Qualified spouse trusts under the ITA can be either inter vivos or testamentary. The spouse must be entitled to all of the annual net income of the trust for his or her lifetime and no person except the spouse may receive or otherwise obtain the use of any of the income or capital of the trust during the spouse's lifetime. Other requirements under the ITA include that the settlor or testator must be a Canadian resident for income tax purposes at the time of the settlement of the trust or immediately before his or her death (as the case may be) and the trust must be Canadian resident for tax purposes immediately after the time the property vested indefeasibly in the trust (which essentially means when all possible steps to legally transfer ownership of the property to the trustees have been taken).

Assets may be transferred to the trust on a tax-free, rollover basis, although an election can be made to transfer certain assets at fair market value (which may be desirable in certain circumstances, for example if there are capital losses which can offset gains). In the case of testamentary qualified spouse trusts, the assets must vest indefeasibly in the trust within 36 months of the testator's death to qualify for the rollover (although the period can be extended if an application for an extension is made within the 36-month period). Also, spouse trusts are not subject to the 21-year deemed disposition rules, whereby capital property is deemed to be disposed of thereby giving rise to capital gains or losses in the trust every 21 years (discussed later in this Advisory), which apply to most other types of trusts.

Because the rules must be strictly followed to ensure the benefits of using a qualified spouse trust are obtained, it is important to ensure that a spouse trust which is intended to qualify for such treatment does not include provisions which disqualify it. For example, loans at a rate which is less than a commercial rate of interest to anyone other than the beneficiary spouse, or even the power to make such a loan, could taint the spouse trust. Also, Canada Revenue Agency ("CRA") has taken the position that the ability of the trustees to purchase and pay the premiums of a life insurance policy on the life of the spouse taints the trust, as the trust fund is being used for a purpose which will not benefit the spouse but rather other beneficiaries, since the insurance proceeds will not be paid to the trust until after the spouse's death.

Alter Ego and Joint Partner Trusts

An alter ego trust is created by a person for his or her sole benefit during his or her lifetime. A joint partner trust is created by a person for the benefit of the person and his or her spouse (including a common law spouse) until the death of the survivor of them. Alter ego trusts and joint partner trusts are entitled to special treatment under the ITA. Persons age 65 or older may establish an alter ego or joint partner trust and transfer assets to it on a tax-deferred basis, whereas normally a transfer of property to a trust, with certain exceptions, results in a disposition, which may result in tax on any resulting capital gains.

BASIC TAX RULES

Inter Vivos and Testamentary Trusts

Rates of Tax on Inter Vivos and Testamentary Trusts

Under the current rules, the top marginal rate of tax applies on income earned by, and taxed in, both inter vivos trusts and testamentary trusts, which includes estates, with certain exceptions for Graduated Rate Estates and Qualified Disability Trusts, as discussed below.

21-Year Deemed Disposition of Trust Capital

Both inter vivos and testamentary trusts, with certain exceptions for life interest trusts (discussed above), are subject to the 21-year deemed disposition rule. This rule provides that a trust will be deemed to have disposed of all of its capital property on the 21st anniversary of the date the trust is established, and every 21 years after that. The trust is taxed on the net capital gain on the capital assets held in the trust on that date.

Certain planning steps may be available to minimize or avoid the 21-year deemed disposition in a trust, such as making a capital distribution and "rolling out" assets from the trust to beneficiaries before the 21-year anniversary. However, the terms of the trust may restrict what planning the trustees can do in this regard.

Other Tax Rules Which Affect Trusts

Estates (other than Graduated Rate Estates, discussed below), testamentary (other than Qualified Disability Trusts, discussed below) and inter vivos trusts are subject to a number of other rules (with certain exceptions) under the ITA, including that they:

1. Have a calendar tax year-end;

2. Pay tax instalments, if applicable;
3. Pay alternative minimum tax, if applicable;
4. Are unable to allocate investment tax credits to beneficiaries; and,
5. Are unable to elect to tax income paid to a beneficiary in the trust unless the trust has losses to offset the tax.

Taxation on Death and Taxation of Estates

Taxation in the Year of Death

In the year of death, a deceased individual will be taxed on three main types of income:

- Income earned to the date of death (including, for example, employment, investment or business income);
- Income deemed to be realized at the date of death (such as the value of Registered Retirement Savings Plans ("RRSPs") and Registered Retirement Income Funds ("RRIFs") held by the individual at death, discussed further below); and,
- Income arising from the disposition of assets which under the ITA is deemed to occur immediately before death (typically capital gains tax on the gain in value arising from the deemed disposition of capital property, such as non-registered investments or real property, discussed further below).

Taxation of Registered Retirement Accounts in the Year of Death

Registered retirement accounts such as RRSPs and RRIFs are treated differently in the year of death than other investment assets. Not only are payments received by the deceased individual from such plans to the date of the individual's death included in income, but any balance in such plans held by the individual at his or her date of death will be deemed to be income arising at the date of death. The full value of the plans held at date of death will therefore be taxable as income subject to tax at the individual's marginal tax rate.

An exemption from the application of this rule is available if the plan is paid to a spouse (married or common law) of the deceased account holder. The spouse may then roll the proceeds into his or her own RRSP or RRIF, and the proceeds will be not be taxed in the deceased's final tax return if the transfer is completed within the required period (the time limit is 60 days after the end of the year of death, subject to extension by the Minister of

Finance). The spouse will then be taxed on any withdrawals from the funds he or she makes in the future. If the spouse is the designated beneficiary of the plan, the deceased's estate may still elect to tax some of the RRSP or RRIF proceeds in the estate, which may be beneficial in some circumstances. It should be noted that the spouse is not obligated to roll over the plan proceeds to his or her own registered plan, in which case the deceased account holder's estate will become liable for income tax on the plan proceeds, as described above.

Limited exemptions from the application of this rule are also available for dependent children and grandchildren (whose income must be below a certain threshold to qualify as a dependent), typically involving a limited-term annuity being purchased for the child or grandchild from the proceeds unless the dependent child or grandchild is also mentally or physically infirm, in which case the dependent child or grandchild can also roll over the proceeds to an RRSP or RRIF (and in certain circumstances a Registered Retirement Disability Plan).

It should be noted that the exemptions set out above are available even if the plan is payable to the estate and not designated directly to the beneficiary in question, as the estate and beneficiary can jointly elect to apply the rollover in such circumstances, subject to certain terms and conditions.

Deemed Disposition of Capital Property

Capital assets such as investments (non-registered), shares in a private company or real estate are deemed to be disposed as a result of the death of the individual owner and any gain or loss arising on the deemed disposition is included in the individual's income in his or her year of death.

The individual's principal residence (which can be any residence the individual designates as his or her principal residence) is exempt from capital gains tax. Qualified small business shares and farm or fishing property may also be eligible for a lifetime capital gains tax exemption up to a maximum amount (if the individual has not previously claimed the exemption amount, as this is a lifetime maximum exemption amount).

Property transferred to a spouse (married or common law) outright or to a qualified spouse trust on death can be rolled over at its cost base and the gain or loss will be included in the spouse's or spouse trust's income at the earlier of when the asset is disposed of by the surviving spouse or the trustees of the spouse trust, as the case may be, or on the surviving spouse's death. A family farm or shares in a family farm corporation may be eligible for a tax-free rollover to a child or grandchild in certain circumstances.

Foreign Assets Held on Death

The deemed disposition of capital property on death will include foreign capital property held by a deceased Canadian resident at death, as all worldwide income is taxable. The foreign jurisdiction may impose tax on the same assets and double taxation on such assets may therefore arise. Canada has tax treaties with some countries which may mitigate these rules. For example, Canada has tax treaties with the U.S. and France which reduce or eliminate double taxation on death by in general allowing a credit for the foreign taxes paid against Canadian capital gains tax on the same assets. Cross-border income tax and other professional advice is critical when dealing with such situations.

Income Arising After Death

As noted above, the estate of a deceased individual is taxed on income arising after death in the same manner as a trust is taxed, as it is considered to be a trust for the purposes of the ITA. The exception to this is if and while the estate qualifies as a Graduated Rate Estate.

Graduated Rate Estate ("GRE")

An estate can qualify as a GRE for up to 36 months following a person's death and must:

1. Qualify as a testamentary trust under the ITA (i.e. a trust that does not come into being until the person's death and does not receive any contributions from another person, subject to certain restrictions regarding debt payments and loans);
2. Designate itself as a GRE in its first tax return filed after December 31, 2015;
3. Be the sole estate designated as a GRE for a deceased person; and,
4. Provide the deceased's Social Insurance Number on all tax returns filed while a GRE (i.e. not a new trust tax identification number).

According to CRA commentary, only the "general" estate will qualify as a GRE. Ongoing testamentary trusts and insurance trusts provided for in a will or pursuant to a beneficiary designation do not qualify as GREs under the rules. If an executor has the discretion under the will to do so, it is possible to continue the estate administration for the full 36-month period in order to obtain the benefit of graduated tax rates, even if the estate is immediately distributable.

An estate will cease to be a GRE on the earliest of the following dates: 36 months after the deceased person's date of death; the date the estate no longer meets the requirements set out above; and, the date the general estate administration is complete and ongoing trusts, if any, are set up. On this date, the estate will be deemed to have a tax year end and will thereafter be taxed as a regular trust, paying tax at the top marginal tax rate and being subject to the other rules applicable to trusts.

Under the rules, there is no discretion given to the Minister of Finance to extend the time for an estate to be a GRE after the initial 36-month period, even if, for example, there is ongoing estate litigation or unforeseen problems arise which prevent the estate from being fully administered within that time frame.

Issues Arising from the GRE Rules

Many issues involving trust planning and tax planning for trusts and estates arise from the GRE rules, although some initial concerns were alleviated by the CRA after the rules came into effect in 2016. For example, CRA has confirmed that where a person has executed multiple wills, such as a "primary will" and a "secondary will" commonly used in Ontario to minimize exposure to Ontario Estate Administration Tax (often referred to as "probate fees"), it will consider there to be only one estate.

Certain tax planning after death can now only be accomplished successfully as long as the estate qualifies as a GRE. For example, if a person owns shares in a private corporation, his or her executor can only engage in certain post-mortem tax planning to avoid double-taxation on the value of those shares if his or her estate is a GRE at the time the planning is completed.

Executors will have to be very careful not to disqualify an estate from being a GRE where certain tax planning depends on this status and to complete such tax planning within 36 months of the deceased's date of death. For example, one requirement to qualify as a GRE is that no person other than the deceased can contribute to the estate, therefore an estate can be disqualified from being a GRE if someone else contributes to the estate. This could happen if a beneficiary borrows from the estate and then recontributes the borrowed funds to the estate, or if a related person pays the deceased's debts and is not reimbursed as required within the necessary timeframe. Another issue to bear in mind is that GRE designations cannot be late-filed by executors, and an estate may therefore miss the opportunity of a GRE designation if the executors fail to make the necessary designation on the first estate tax filing or if they make the first estate tax filing late.

Where such post-mortem tax planning is expected or potentially beneficial, qualified advisors should review a person's estate planning to ensure the executors have the necessary powers and flexibility to allow them to complete tax planning after death and maintain an estate's GRE status for as long as it may be necessary and possible to do so.

Charitable Donations by a Trust or Estate

This Advisory does not examine the impact of the 2016 changes to the charitable donation rules applicable to trusts and estates, as these rules are intricate and complex. For a discussion of these rules, please see our Advisory "[Charitable Giving](#)". However, it should be noted that it is important to maintain an estate's GRE status in order to claim charitable donation credits against 100% of net income in the year of death and the year immediately preceding death (as opposed to the 75% of net income limit which applies during a person's lifetime) and to maximize donation tax credits for the estate.

Exemptions from Top Marginal Tax Rates

Unlike an inter vivos trust, for which there is no exemption from the application of the top marginal tax rate on its income, there are exemptions available for two types of testamentary trusts: Graduated Rate Estates (discussed above) and Qualified Disability Trusts (discussed below). These types of trusts are also exempted from certain other rules to which trusts are generally subject, such as the requirement to have a calendar year-end.

Qualified Disability Trusts

The second exemption is for a "qualified disability trust" ("QDT"). Trusts that qualify as QDTs will be taxed at graduated tax rates. QDTs are for the benefit of certain disabled beneficiaries, and with the inclusion of appropriate terms can allow such disabled beneficiaries to benefit from trust distributions while still being eligible for government disability benefits (e.g. Ontario Disability Support Payments or "ODSP").

To qualify as a QDT, a trust must:

1. Have at least one beneficiary who qualifies for the federal disability tax credit (the "qualifying beneficiary") who is specifically named in the trust;
2. File a joint annual election with one or more qualifying beneficiaries (the "electing beneficiary" or "electing beneficiaries");
3. Be resident in Canada for the elected year(s); and,

4. Be a testamentary trust (see above under GREs for further information on this requirement).

A qualifying beneficiary can jointly elect with only one trust for the QDT qualification. Only one qualifying beneficiary is required to be an electing beneficiary for each QDT, although a QDT can have multiple qualifying beneficiaries.

Problems may arise in making the joint election to be treated as a QDT if the qualifying beneficiary is not legally capable of making an election and has no legal representative who can make the election on his or her behalf. If this is the case, it will be necessary to obtain a court appointment of a guardian of property for the qualifying beneficiary in order to be able to make the joint election. Such appointments, however, come with an extensive range of legal responsibilities, often require onerous compliance, and are subject to court supervision.

Also, there is a tax recovery mechanism in the rules which will be triggered in any year in which the trust stops qualifying as a QDT or a capital distribution is made from the trust to a non-electing beneficiary.

For further information and a more detailed discussion of planning for special needs beneficiaries, see our Advisory ["Estate Planning to Benefit Family Members with Special Needs"](#).

INCOME SPLITTING, ATTRIBUTION OF INCOME AND OTHER SPECIAL TAX RULES

For taxation purposes, inter vivos and testamentary trusts are treated as distinct individual taxpayers. The annual net income earned in a trust that is not paid or made payable to a beneficiary in the year the income is earned is taxed in the trust (as noted above, at the highest marginal tax rate).

The annual net income can be split among the beneficiaries of the trust, which may reduce the overall amount of tax owing on income earned by the trust, provided that in the case of inter vivos trusts certain rules known as the "attribution rules" do not apply, as discussed further below. When income is paid or made payable to one or more of the beneficiaries of the trust and taxed at the respective beneficiary's own graduated tax rates, tax can be minimized if that beneficiary has little or no other income or is in one of the lower tax brackets.

Attribution of Income

An inter vivos trust must be properly structured from a tax perspective in order for income splitting to be achieved. Testamentary trust tax rules do not have some of these restrictions as the testator is deceased, and therefore tax policy considerations which form the basis for the attribution rules applicable to inter vivos trusts, which are designed to prevent income splitting, do not apply.

The so-called "attribution" rules under the ITA limit or prevent income splitting in a variety of circumstances, including the following:

- Property is gifted or loaned at less than the prescribed rate of interest under the ITA by one spouse to the other spouse (if the receiving spouse is resident in Canada) or to a trust for the other spouse's benefit, in which case any income or capital gains (or losses) arising from the property will be attributed back to the transferor spouse;
- Property is loaned by an individual at less than the prescribed rate of interest under the ITA to a person with whom the transferor individual does not deal at arms' length or to a trust for this person's benefit, in which case any income earned on the loaned funds (but not losses or capital gains) will be attributed back to the lender;
- Property is gifted or loaned at less than the prescribed rate of interest under the ITA by an individual to a person under the age of 18 who is resident in Canada and with whom the transferor individual does not deal at arms' length or to a trust for this person's benefit, in which case any income arising from the property will be attributed back to the transferor individual. However, if property is gifted or loaned at less than the prescribed rate of interest under the ITA to a trust for the benefit of children or grandchildren who are under age 18 and the trust earns capital gains, there is no attribution under the ITA of the capital gains to the person who contributed the property to the trust when the gains are paid or made payable to children or grandchildren. After a child reaches the age of 18 the trust can begin allocating interest and dividends, in addition to capital gains, to the child to take advantage of their lower marginal tax rate (subject to other attribution rules);
- Dividends received on shares of private corporations held by a child under the age of 18 or by a trust for his or her benefit while he or she has a parent resident in Canada arising from certain types of income in the corporation, in which case the dividends are taxed at the top marginal tax rate in the hands of the minor child (known as the "kiddie tax");

- Dividends and interest received by an adult or a trust for his or her benefit from a private corporation that is a “related business”, meaning an individual who is resident in Canada at any time in the year and is related to the adult who receives the dividends or interest is either actively engaged in the business or owns 10% or more of the equity in the corporation carrying on the business. These rules are known as the “TOSI” rules or tax on split income rules. There are various rules dealing with whether a corporation carries on a business and exclusions such as for a spouse who is at least 65 years old and adults who contribute to the business, and for the allocation of capital gains to anyone over 18 years old from the disposition of qualified small business corporation shares or qualified farm or fishing property.

The ITA does not provide a definition of persons who do not deal at arm’s length with each other, but typically these include related individuals, being a parent, child (or remoter descendant), stepchild, sibling, spouse or common law partner, and spouse’s sibling. Certain corporations and trusts can be non-arm’s length persons too.

The attribution of income and TOSI rules are complex and an exhaustive review of them is beyond the scope of this Advisory. Professional advice should be obtained where it appears they may apply. In addition, there are methods of planning to ensure the attribution rules do not apply. For example, attribution of income can be avoided if funds are loaned at the prescribed rate under the ITA.

Rollout of Capital Property to Beneficiaries

Proper structuring of a trust from a tax perspective will be necessary if assets are to be rolled out to beneficiaries tax-free in the future in order to avoid the application of other attribution rules under the ITA known as the “reversionary trust” rules. As noted above, many inter vivos trusts are settled with certain assets with the future goal of transferring those assets to children when they are older, while also removing them from being taxed in the hands of the parent for the intervening period.

Subsection 75(2) of the ITA provides that where an individual transfers property to a trust but the individual controls the property or has a reversionary right to or veto over the property, the income and capital gains from the property will be taxed in the hands of the transferor individual and the rollout of assets tax-free from the trust to beneficiaries will not be allowed. This would arise where the individual:

- transfers property to a trust which he or she can revoke;
- is a capital beneficiary of the trust;

- can appoint the property to himself or herself in the future;
- is a sole trustee of the trust or has a veto power over the other trustees.

Principal Residence Exemption and Limitations on Availability for Trusts

If a trust will own real property, or if it might acquire it in the future, the trust may not be able to claim the principal residence exemption, and if so, the increase in the value of the residence owned by the trust will be subject to capital gains tax. Alter ego and joint partner trusts, qualified spouse trusts and QDTs, as well as testamentary trusts settled for a minor child by a parent (while the child is a minor), are the only trusts that can claim the principal residence exemption for any year the trust qualifies for the exemption.¹

To qualify for the exemption in any year, the trust must designate a “specified beneficiary”, being a beneficiary of the trust who normally inhabited the residence or whose spouse, former spouse or child normally inhabited the residence. This “specified beneficiary” must also be resident in Canada for the year(s) for which the exemption is claimed.

TAX COMPLIANCE AND INFORMATION DISCLOSURE

Inter Vivos and Testamentary Trusts

A trustee must ensure that tax filings are completed and filed for the trust and any income tax owing is paid. Typically, if a trust receives any income during the calendar year, a T3 trust income tax return reporting this income must be filed by the trustee(s). All trusts (inter vivos and testamentary) are required to have a calendar year-end in Canada. T3 trust returns are due 90 days after the end of the calendar year in which the income was earned.

Beginning with the 2021 income tax year, Canadian resident trusts (with certain exceptions), including deemed resident trusts², will be required to file an annual T3 trust and information return, which will include disclosure of specified information regarding the settlor, trustees, beneficiaries, and anyone who exerts control over the trust, such as protectors, whether or not the trust earned income in any year.

¹ However, the Tax Policy Branch of the Ministry of Finance (Canada) has recommended that the Minister of Finance and Parliament amend these rules to allow an inter vivos trust for the benefit of an individual who is eligible for the disability tax credit to be eligible to claim the principal residence exemption as long as certain conditions are met. It remains to be seen if the Minister and Parliament agree with and carry forward this recommendation.

² Deemed resident trusts are defined in the ITA and are subject to complex definition and compliance rules. Discussion of these trusts is beyond the scope of this Advisory.

Estates

An estate trustee (whether the deceased died with or without a will) must ensure that certain tax filings are completed and filed for the deceased and for the estate and any income tax owing is paid. The following are typical tax filings necessary for an estate:

- (a) income tax returns for any taxation year prior to the year of death not previously filed, which are due April 30th of the year after the end of the taxation year for which the return is being filed, except if the person died after the end of the previous taxation year but before April 30th of the following year, in which case the deadline for filing the previous year's return will be six months after his or her date of death;
- (b) a final or "terminal" income tax return for the year of death covering the period from January 1st to the date of death, which is due April 30th of the year following the year the person died, except if he or she died between November 1st and December 31st, in which case the deadline for the terminal returns will be six months after his or her date of death³;
- (c) if the estate receives any income after the person's death and before the estate is fully distributed, a T3 trust return covering income received on the estate assets from the date of death to either the end of the calendar year or the estate year (365 days later), whichever period is elected by the estate trustees, which is due 90 days from the end of the tax year elected by the estate trustees.

There are other tax returns which are optional but which may be filed for the estate. These include a "rights and things" return which is completed and filed with the terminal tax return. A discussion of this and other optional tax filings for estates is beyond the scope of this Advisory.

³ A further extension is allowed for individuals who were carrying on a business, or who's spouse was carrying on a business, in their year of death, to allow the terminal return to be filed on or before June 15th for deaths occurring before December 15th and six months from date of death for deaths occurring between December 15th and 31st.

It should be noted that if a deceased was the person responsible for income tax filings for any privately-held corporation or a trustee of a trust, the estate trustee of his or her estate may be responsible for the ongoing tax compliance for these entities as well. Tax advice should be sought with respect to the necessary tax filings for any such entities. A general overview of trust tax compliance is included above. Information regarding corporate tax compliance is beyond the scope of this Advisory. Typically there are no extensions for the tax filing deadlines for these entities simply because the person previously responsible for tax filings for them has died.

In order to avoid personal liability for any unpaid tax, interest and penalties owing to CRA after the estate has been fully distributed, an estate trustee must obtain a tax clearance certificate from CRA before distributing any property under his or her control. This certificate certifies that all taxes, Canada Pension Plan contributions, Employment Insurance premiums, interest and/or penalties assessed or chargeable or payable out of the property of the deceased (prior to death) and his or her estate have been paid, or that security for payment has been accepted by the Federal Minister of Finance. Distribution of property without a tax clearance certificate renders the estate trustee personally liable for any unpaid amounts if the assets remaining in the estate are insufficient to satisfy these additional income tax obligations.

A tax clearance may also be applied for by the trustee of a trust or the director of a corporation, and should be considered upon the wind-up of the trust or corporation.

CONCLUSION

Tax issues relating to trusts and estates are complex. This Advisory provides a summary overview of some of the key Canadian rules only. It is critical to consider and obtain proper professional advice when planning or administering an estate or trust, in particular with regard to all relevant tax issues and tax consequences.

The comments offered in this Advisory are meant to be general in nature, are limited to Ontario law and Canadian income tax law and are not intended to provide legal advice on any individual situation. Before taking any action involving your individual situation, you should seek legal advice to ensure it is appropriate to your personal circumstances.