



## **SSC # 128 – THE PRINCIPAL RESIDENCE EXEMPTION (PRE): RULES, REPORTING, AND PLANNING PITFALLS — WITH INSURANCE SOLUTIONS**

### **This course is eligible for:**

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

**1.5 Life ONLY CE Credits for AB.**

### **Target Audience**

This course is designed for:

- Financial advisors
- Insurance advisors
- Estate planners
- Tax-aware planners
- Wealth managers
- Accountants and financial professionals
- Advisors working with homeowners, retirees, blended families, and high-net-worth clients

### **Course Purpose**

The purpose of this course is to provide advisors with a **deep technical understanding** of the PRE and its application in complex planning scenarios.

*The course will:*

1. Explain the statutory rules governing the PRE.
2. Identify common planning pitfalls and CRA audit triggers.
3. Provide a detailed analysis of PRE eligibility, calculation, and reporting.
4. Examine PRE implications for cottages, vacation homes, rental properties, and multi-property families.
5. Explore PRE issues in trust and corporate ownership structures.
6. Integrate insurance-based solutions to address tax liabilities and liquidity shortfalls.
7. Provide advisors with compliance-ready documentation strategies.
8. Present cross-Canada case studies illustrating real-world applications.

## Learning Objectives

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

1. Interpret the statutory definition of “principal residence” under ITA s. 54.
2. Apply ITA s. 40(2)(b) to calculate the PRE.
3. Identify properties that qualify and those that do not.
4. Understand the “ordinarily inhabited” test and its application.
5. Recognize the implications of the “one property per family unit” rule.
6. Apply change-in-use rules under ITA s. 45(1) and 45(2).
7. Understand PRE eligibility for trusts under ITA s. 104.
8. Identify CRA audit triggers and reporting requirements.
9. Apply PRE rules to complex estate planning scenarios.
10. Use insurance strategies to fund tax liabilities and preserve family assets.
11. Document recommendations in a compliance-ready manner.
12. Apply PRE rules to complex, multi-jurisdictional case studies.