



SSC # 70 – INTERGENERATIONAL BUSINESS TRANSFER

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 licensed and registered financial professionals in Canada who advise business owners on succession planning, estate planning, and tax-efficient wealth transfer strategies. The curriculum assumes foundational competence in Canadian income tax concepts, corporate structures, and the principles of business valuation and ownership transition.

Primary Audience

- Licensed life and accident & sickness (A&S) insurance advisors holding provincial licences
- Certified Financial Planner® (CFP®) professionals and Qualified Associate Financial Planner™ (QAFP™) professionals certified by FP Canada
- Chartered Life Underwriter (CLU®), Certified Health Insurance Specialist (CHS™), and Trust and Estate Practitioner (TEP) designate
- Mutual fund dealing representatives and investment dealer representatives registered with CIRO
- Financial planners and advisors operating under provincial financial planning title protection legislation

Secondary Audience

- Chartered Professional Accountants (CPAs) providing integrated tax, succession, and business advisory services
- Estate and trust lawyers advising family business clients on corporate reorganisations and ownership transitions
- Business valuers (CBVs) engaged in succession and estate planning mandates
- Insurance carrier wholesalers and MGA representatives supporting advisors on advanced case design
- Compliance officers and branch managers responsible for supervisory oversight of business succession recommendations

Course Overview

Intergenerational Business Transfers: Navigating Canada's New Tax Framework for Family Business Succession is a structured continuing education course addressing the most significant legislative change to family business succession planning in a generation. The amendments to section 84.1 of the Income Tax Act — originally introduced in Bill C-208 (2021) and substantially overhauled by Bill C-59 (Royal Assent June 20, 2024) — created two new pathways for transferring family business shares to the next generation at capital gains rates rather than dividend rates. Combined with the enhanced Lifetime Capital Gains Exemption (\$1,275,000 for 2026, indexed annually) and the extended 10-year capital gains reserve, these rules offer unprecedented tax-planning opportunities for family business owners and the advisors who serve them. This course provides advisors with a complete, practice-ready framework for identifying, structuring, and implementing compliant intergenerational transfers.

Course Purpose

The purpose of this course is to equip Canadian financial advisors with the knowledge, analytical frameworks, and practical tools required to identify intergenerational business transfer opportunities among family business clients, evaluate the suitability of the Immediate Business Transfer and Gradual Business Transfer pathways, coordinate effectively with legal and tax professionals to implement compliant transfers, and integrate IBT planning with broader succession, estate, and insurance strategies. Upon completion, advisors will be able to initiate and guide IBT planning conversations with confidence, adding significant value to their family business advisory practice.

Learning Objectives

The following learning objectives are designed in accordance with Bloom's Revised Taxonomy, targeting the cognitive levels of application, analysis, and evaluation. Each objective is measurable through the course's 15-question summative examination and applied case studies. Upon successful completion of this course, the learner will be able to:

1. Analyse the economic significance of family business succession in Canada and explain why the historical tax framework created barriers to intergenerational transfers.
2. Distinguish between the Immediate Business Transfer (IBT) and Gradual Business Transfer (GBT) pathways under the amended section 84.1, including qualifying conditions, timelines, and joint election requirements.
3. Evaluate whether a client's shares qualify as Qualified Small Business Corporation (QSBC) shares by applying the three-test framework (90% at-sale test, 50% 24-month test, 24-month ownership test).
4. Apply the Lifetime Capital Gains Exemption (LCGE) to calculate the tax savings available on an intergenerational business transfer, and explain the implications of the cancelled Canadian Entrepreneurs' Incentive (CEI) for current planning.
5. Analyse the role of estate freezes (section 85 rollovers and section 86 share exchanges) and family trusts in IBT planning, including the interaction with the 21-year deemed disposition rule.
6. Compare the tax consequences of an intergenerational transfer structured under the IBT rules versus a transfer to an arm's-length third party versus a non-qualifying transfer subject to the surplus stripping rules.

7. Apply a structured advisory process to identify IBT opportunities, coordinate with legal and tax professionals, and recommend appropriate transfer structures for family business clients.
8. Evaluate the common pitfalls that can disqualify an intergenerational transfer and implement safeguards to ensure ongoing compliance with the IBT or GBT conditions.