



SSC # 93 – PLANNING FOR CLIENTS WITH RENTAL PROPERTIES APPROACHING RETIREMENT

This course is eligible for:

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

2.5 Life ONLY CE Credits for AB.

Target Audience

This course is designed for licensed financial advisors and financial planners in Canada who work with pre-retirees and retirees who own one or more rental properties as a component of their overall wealth accumulation and income strategy. This includes Mutual Fund Dealers, Investment Dealers, Portfolio Managers, Insurance Advisors, and Certified Financial Planners (CFPs) whose clients are within 10 years of their target retirement date or who have already retired while retaining investment real estate.

2. Course Overview

Rental property ownership is a deeply embedded component of Canadian wealth-building culture. Millions of Canadians have used residential and commercial real estate not merely as a place to live, but as a long-term savings vehicle, an income-producing asset, and an estate planning tool. According to Statistics Canada, investment in residential real estate accounts for a substantial portion of household net worth, particularly among Canadians aged 55 and older. For many pre-retirees, a rental property or portfolio of properties may represent as much — or more — value than their registered savings accounts combined. As this cohort approaches retirement, the financial decisions surrounding these assets become increasingly consequential.

Financial advisors serve as the first line of guidance for clients navigating these decisions, and yet real estate tax planning sits at the boundary of advisory competency and the scope of licensed advice. This course aims to equip advisors with the knowledge necessary to identify planning opportunities and risks, to ask the right questions, to model the tax impact of various strategies, and to co-ordinate effectively with accountants, real estate lawyers, and other specialists. By the end of this course, advisors will be better positioned to serve clients with rental property holdings as part of a holistic, tax-efficient retirement income plan.

4. Learning Objectives

Upon successful completion of this course, the participant will be able to:

- Explain how rental income is reported under the *Income Tax Act* using CRA Form T776, and describe its effect on net income, OAS clawback, and CPP/OAS eligibility.
- Calculate the tax impact of selling a rental property, including CCA recapture and capital gains, and identify strategies to optimise the timing of disposition.
- Describe the principal residence exemption (PRE), its eligibility conditions, the one-property-per-family-unit rule, and situations involving partial exemptions or change-of-use elections.
- Evaluate the advantages and disadvantages of holding rental property personally versus within a corporation, including the passive income threshold and small business deduction (SBD) grind.
- Develop an integrated retirement income plan that incorporates rental income as part of a decumulation strategy alongside RRSP/RRIF, CPP, OAS, and non-registered assets.