CORPORATE TAX PLANNING

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With this issue of the journal, the editorial focus of The Taxation of Corporate Reorganizations feature is broadening and, to reflect this shift in scope, the title of the feature is being changed to Corporate Tax Planning. The articles that appear in the feature will focus not only on the reorganization provisions of the Income Tax Act, as they have in the past, but also on issues relating to the day-to-day corporate activities of corporations and other commercial transactions involving corporations that are not distinctly reorganization transactions.

INCREASING TAXPAYER CERTAINTY IN USING PARTNERSHIPS

David Manoochehri and Zahra Nurmohamed**

The Income Tax Act contains a number of provisions that apply to partnerships, yet the essential requirements of what constitutes a valid partnership for the purposes of the Act are determined under partnership law. This was confirmed by the Supreme Court of Canada in a trilogy of appeals involving the taxation of partnerships. This article discusses how the trilogy of partnership cases has provided certainty with respect to the use of partnerships in corporate transactions. The article also discusses how the trilogy of cases may interact with the reasonable expectation of profit appeals that were recently heard by the Supreme Court of Canada.

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