

Tax Tip
Week of December 7, 2009

December Tax Planning Steps

Certain items can only be claimed for income purposes, if they are paid in the calendar year. As a result, if any of the following items are normally paid in the first quarter of 2010, consider making the transactions in December 2009 in order to be able to claim the expense or tax credit on your 2009 tax return. Items that must be paid in the calendar year include:

- Charitable donations
- Child care expenses
- Interest expenses
- Investment council fees
- Medical expenses
- Political contributions
- Payments to a Registered Educational Savings Plans
- Safety deposit box fees
- Sell investments to create capital losses. These transactions should be given to the broker prior to December 24, 2009 to ensure it will be treated as a transaction in the current year