

**Welcome to the first edition of Wall-Armstrong & Associate's newsletter.**

We hope to provide you with useful and timely information on estates and real estate. If you are looking for more information on any topics covered, we would be happy to discuss this with you in more detail.

**HST and real estate transactions**

On June 19, 2009, the federal government passed legislation that implemented Ontario's new Harmonized Sales Tax, which will take effect on July 1, 2010. While the tax will not apply to resale home purchases and is set to be rebated for new homes under \$400,000.00, it will have an effect on aspects of the real estate industry. The primary areas where you will see effects are:

- Legal fees and disbursements
- Real estate commissions
- Home inspections
- Appraisals
- Moving costs

If you wish to avoid these costs, your purchase or sale must close **before** July 1, 2010.

**Canadian Home Buyers' Tax Credit**

The Home Buyers' Tax Credit is available for all first-time homebuyers and spouses of first-time homebuyers who purchased their homes after January 27, 2009. The credit is intended to give first-time buyers relief toward closing costs. In order to qualify for the credit, you (and your spouse or common-law partner, if applicable) must not have lived in a home owned by you (or your spouse or common-law partner, if applicable) in the year of purchase or the four years prior. The home you purchased can be either new or resale, and you must occupy the home within one year of purchasing it. For more information, please visit Canada Revenue Agency's website at <http://www.cra-arc.gc.ca/menu-eng.html>.

**Barrie case causes confusion for life insurance and RRSP designations**

In May 2009, a lower court case out of Barrie threw the standard opening wording in wills into confusion. The case, *Re Ashton Estate*, stated that a will that revoked "all testamentary instruments" also revoked any life insurance or RRSP/RIF designations. To date, this case has not been appealed.

What does this mean for you?

If you named a designated beneficiary after you had your will drafted, nothing will change. If, however, you had your will drafted after you named your designated beneficiary, you should check to see if this wording is at the beginning of your will. If it is, you will need to file new designations to ensure that they occurred after the date of the will and that they will not be affected by the decision in *Ashton*.

### Email and social networking accounts

What happens to your email account when you die?

- Hotmail: Next of kin may provide identification and a death certificate in order to access the account.

- Gmail: Next of kin may provide identification and a death certificate in order to access the account, and must also show proof of communication with the deceased.
- Yahoo: Next of kin is not allowed to access the account unless this is provided for in the will.
- Facebook: Accounts can be memorialized, but not fully accessed by next of kin.

If you are concerned about the level of access someone may have to your online accounts, you should consider adding in a clause to deal with your electronic profile when you have your will drafted (or re-drafted).

### We are always appreciative of your referrals.

Our practice is built on referrals from clients like you. We are happy to speak to anyone who is looking for legal advice in our areas of practice, and welcome referrals from your friends, family and colleagues.

This newsletter is published for general information only and does not constitute legal advice. A professional opinion should be obtained regarding any person's specific circumstances.