

TAX MINIMIZATION

Comprehensive Protection

Taxes can take a large share of what you've built, during your lifetime and especially at death, when Canadian tax rules generally treat your assets as sold and any gains become taxable. Without planning, your estate may have to sell assets just to pay the bill.

Nova Star Insurance Consultant uses insurance-based strategies, in coordination with your accountant, to help you keep more of your wealth. We compare solutions from a wide range of Canadian carriers to fit your goals.

How Can Insurance Reduce Taxes?

In Canada, life insurance death benefits are generally received tax-free, and growth inside an exempt permanent policy is tax-deferred. Used well, these features can shelter savings from annual tax and provide tax-free funds to cover the taxes owing at death.

What Tools Are Available?

Common tax-efficient insurance strategies include:

- Whole and universal life: tax-deferred cash value growth within exempt policy limits
- Estate funding: a generally tax-free death benefit to pay the taxes owing at death
- Annuities: guaranteed income for life, with prescribed annuities spreading tax evenly over the payments

Two Strategies Worth Knowing

- **Corporate-owned permanent insurance** can shelter surplus company funds, and part of the death benefit may flow to shareholders as a tax-free capital dividend
- **Prescribed annuities** can provide steady retirement income with tax spread evenly over the payment period

Tax rules are complex and change over time, so every strategy should be reviewed with your accountant. Nova Star advisors will help you find the combination that fits your situation.

Why Tax Planning Matters for Canadians

- The right tax-efficient strategy:
- Shelters savings from annual tax on investment growth
- Funds taxes at death so assets don't have to be sold
- Passes more of your wealth to family and causes you care about
- Can move corporate wealth to shareholders tax-efficiently
- Works alongside your existing RRSP, TFSA and investment plans

Company Profile

Nova Star Insurance Consultant is an independent insurance brokerage serving businesses and individuals across Ontario, Quebec, Alberta, Nova Scotia, New Brunswick, and Newfoundland & Labrador. As an independent broker, we are not tied to any single carrier — our only goal is finding you the right coverage at the most competitive rate.

Our licensed advisors handle all research, carrier comparisons, applications, and ongoing coverage reviews — so you don't have to. Whether you need protection for yourself, your family, or your business, Nova Star is your trusted partner for the long term.

Contact

For inquiries or to book a complimentary needs assessment, contact us:

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Nova Star Insurance Consultants *Simplifying Insurance, Securing Your Future.*