



Retiring or travelling abroad checklist: Points to consider

- 1.** Examine your motivation for wanting to live elsewhere and be sure you're doing it for the right reasons. If you're thinking mostly of saving money, you may be disappointed with your experience.
- 2.** Pick a country and do extensive research. Does it have a large enough expatriate Canadian community to ward off a sense of cultural isolation? Are you going to feel safe? Can you buy real estate there if you want to? Do you speak the language? Will the climate suit you?
- 3.** Have a complete physical before you go and plan ahead for your health needs by investigating local health care standards and buying private health insurance, if necessary.
- 4.** Get the documentation you need, such as your passport and any necessary visas and make sure it's up to date and will still be valid as of your expected return date.
- 5.** If you would like to apply to become a resident of another country, can you do so without affecting your status as a Canadian resident?
- 6.** Becoming a resident of a country is an important consideration if you are planning to purchase property. It may be difficult to guarantee your property rights if you are considered a tourist.
- 7.** If you own foreign property worth more than \$100,000, you must report this to the Canada Revenue Agency. You could face substantial penalties if you fail to do so.
- 8.** It is important to determine whether the country you are planning to visit has a tax treaty with Canada. If there is no formal tax treaty, you may be subject to double taxation.
- 9.** If you are planning on spending substantial time within the U.S., you will need to know if you are a





“resident alien” or a “non-resident alien” – a determination made by the IRS. Your status as a U.S. resident will affect the way you pay tax.

10. Be aware that the majority of provincial health care programs may terminate your benefits if you are out of Canada for more than six consecutive months.

11. If you’re taking along the family pet, find out what regulations exist.

12. Be aware of the tax implications of moving to a different country. If you become a non-resident for Canadian tax purposes you will be deemed to have disposed of some of your assets (such as Canadian real estate), potentially triggering a capital gain.

13. If you plan to actually become a permanent resident of another country, there are legal and taxation issues to consider. For more information, contact Consular Affairs at Foreign Affairs Canada, or visit their website at www.voyage.gc.ca.

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