COST Council On State Taxation

COST 2020 CANADIAN TAX WEBINAR FOR U.S. COMPANIES
September 29-October 1, 2020
Final Agenda

SPONSORED BY:

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Tuesday, September 29, 2020	
2:00 – 2:10 p.m. (ET)	**Welcome & Opening Remarks** Douglas Lindholm, COST, Washington, DC Arthur Parham, COST Chair, Entergy Services, The Woodlands, TX Charles Drury, COST, Washington, DC
2:10 – 4:10 p.m. (ET)	**Overview of Canadian Tax Systems and Canadian/U.S. Tax Convention** Take advantage of this opportunity to gain – or refresh – a basic understanding of the Canadian Tax System. This session will provide attendees with a general overview of the tax systems across Canada, including Canada's GST/HST, provincial sales and use taxes (PST), fuel & excise taxes, insurance premium taxes, property tax, income and withholding tax systems. The goal of this session is to provide attendees with a complete "lay-of-the-land" north of the border with the basics of each system, its structure and operation. The US-Canada Income Tax Convention and relevant protocols commonly utilized by cross-border tax professionals in managing and resolving potential double taxation issues will also be covered in this session. These can arise from cross-border royalties, fees, rents, dividends, fees, interest and gross receipts. Withholding issues will also be covered along with how to settle cross-border transactions in a timely manner. Treaty shopping, limitation of benefits (LOB), and an open dialogue on which US states have taken positions that acknowledge or recognize treaty provisions will also be discussed. Speakers: Jonathan Ip, EY Law*, Calgary, Alberta Alex Pankratz, Baker & McKenzie*, Toronto, Ontario Sandra Smith, Ryan*, Mississauga, Ontario Christina Zurowski, Grant Thornton*, Mississauga, Ontario
4:10 – 5:15 p.m. (ET)	**Basics on Complying with Canada's Income Tax and Ways to Minimize Your Exposure** This session will cover the basic income tax issues that any company active in Canada needs to be aware of. Among the topics discussed will be: taxable entities; Forms – T1, T2, T3, T4, T106, T191 and NR4 (and others); Cash vs. Accrual Accounting; Deadlines and Payments: Due Dates and Methods of Payments; Calculation of Canadian Taxable Income – Book to Tax (M1's), Capital Cost Allowances (Credits; Cross Border Payments); and other items. This session will cover opportunities to minimize a U.S. business's tax exposure when it starts doing business in Canada (US Company with Canadian Branches vs. Canadian disregarded entities that flow into a US Consolidated group vs Canadian Companies with Canadian Branches, etc.), as well as those arising in M&A situations. Other opportunities that will be covered include some double deductions and the Canadian Scientific R&D Credits. Also, the opportunities/ pitfalls with intercompany debt will be addressed. Speaker: David Douglas, Ryan*, Mississauga, Ontario Clyde Seymour, Ryan*, Mississauga, Ontario
Wednesday, September 30, 2020	
2:00 – 2:05 p.m. (ET)	**Welcome & Opening Remarks** Douglas Lindholm, COST, Washington, DC Charles Drury, COST, Washington, DC
2:05 – 3:30 p.m. (ET)	**Canada's GST/HST – The "Lingo" and Registration Requirements** Canada's GST/HST is a value-added tax. This session will describe how a VAT system operates, provide a brief history of Canada's GST/HST, and will provide a fundamental understanding of key concepts. If you are new to dealing with Canada's GST/HST – this session is a must. This session will answer that burning question, does my business need to register for GST/HST? What it means to "carry on business in Canada", to be "resident" in Canada, or to have a "permanent establishment" in Canada will be explained. The session will also discuss how to avoid registration requirements along with the special registration requirements for publishers, ticket sellers, and others. The differences in GST/HST and Canada's income tax will also be noted. If your business is a non-resident and is not registered for GST/HST purposes, you may be able to avoid GST/HST. This session will focus on how to avoid being required to pay GST/HST to your suppliers through use of the place of supply rules and zero-rating rules, or to Canada Customs if you are importing goods into Canada. If you do end up incurring GST/HST, this session will also discuss recovering the GST/HST through rebates or mechanisms that permit you to flow the GST/HST through to your customer. Speakers: Mélanie Camiré, Ryan*, Montreal, Quebec Bryan Horrigan, Baker & McKenzie*, Toronto, Ontario Kristen Schafer, Grant Thornton*, Mississauga, Ontario

3:30 – 4:25 p.m. (ET)	**Mastering Canada's Provincial Tax Systems (PST) and Quebec's Sales Tax System (QST)** Three Canadian provinces still impose sales and use taxes – British Columbia, Saskatchewan, and Manitoba. This session will provide attendees with an overview of Canada's provincial sales tax (PST) systems in these provinces – when registration is required, the scope of their respective tax bases, and a comparison of the various exclusions and exemptions under each. This session will also cover Quebec's sales taxes and how the QST does and does not parallel the GST/HST system. It is administered separately by the province and issues unique to Quebec's QST will be addressed. The speakers will also discuss questions regarding the new QST registration requirements for non-residents. This session will examine the new legislative provisions of the Act respecting the Quebec Sales Tax requiring non-residents to register in Quebec under a new specified registration system. In light of the Wayfair decision of the U. S. Supreme Court and Quebec's new registration requirements, it is evident that e-commerce vendors will need to be cognizant of their sales tax obligations. This session will also explore the implications to e-commerce and will review how other countries are implementing measures to ensure that e-commerce is appropriately taxed. Speakers: Irene Belvedere, Ryan*, Mississauga, Ontario Mélanie Camiré, Ryan*, Montreal, Quebec Grace Caputo, Grant Thornton*, Mississauga, Ontario
4:25 – 5:15 p.m. (ET)	**Potpourri: Input Tax Credits and Rebates and Payroll Taxes** This session will provide an in-depth review and discussion of ITCs (GST/HST) and ITRs (Quebec) – for both resident and non-resident companies. Documentation requirements, potential recapture, travel expenses, certain road vehicles and energy usage in respect of the provincial component of the HST and other issues will be covered. This session will also cover key Canadian and U.S. tax issues for employees and contractors of U.S. companies travelling to Canada, both temporary or permanent basis. Who is subject to a Canadian and U.S. taxing liability, exceptions, employer withholding/reporting, employee filing/FTC options/SIN requirements, and certain Provincial specific considerations will be addressed, including a discussion of recent Section 105 rulings and W-8 and W-9 requirements. This session will cover Section 212, Regulation 105 and Regulation 102, withholding tax Requirements and related issues. Speakers: Alex Pankratz, Baker & McKenzie*, Toronto, Ontario Clyde Seymour, Ryan*, Mississauga, Ontario Carole Walker, Ryan ULC*, Mississauga, Ontario Christina Zurowski, Grant Thornton*, Mississauga, Ontario
5:30 -6:30 p.m. (ET)	**Virtual Happy Hour**
Thursday, October 1, 2020	
2:00 – 2:05 p.m. (ET)	**Welcome & Opening Remarks** Douglas Lindholm, COST, Washington, DC Charles Drury, COST, Washington, DC
2:05 – 3:30 p.m. (ET)	**Best Practices to Deal with Canadian Tax Authorities and Audits and Procedures to Object and Appeal Canadian/Provincial Tax Assessments and Customs/Duties (Including Input GST)** – This is your chance to participate in a lively discussion of Canadian tax audit issues being raised by the tax authorities in Canada and Quebec, and the audit strategies for dealing with them. Audit experiences to be shared include a focus on transactions in and tying them to the General Ledger, desk audits, full audits with Canadian tax auditors coming to the U.S., what are auditors looking for, recapture of ITC's, ITR's on certain type of expenses, and more Canada Revenue Agency audit issues and trends!! What do you need to know for a desk audit? What kind of data is requested on a full audit? How do you reconcile your GL for the auditors? So, the audit didn't end as you had planned. What are your appeal rights? Do you have to "pay to play"? How long will this process take? This interactive session is to provide you with an overview of the objection and appeals process in Canada and what you can expect. Panelists will also discuss dealing with appeals officers, department of justice officials, and collections officers, as well as how the processes and procedures vary by tax authority and by province. Know your rights and exercise them! Moderator: Fred Nicely, COST, Washington, DC Speakers: Grace Caputo, Grant Thornton*, Mississauga, Ontario Bryan Horrigan, Baker & McKenzie*, Toronto, Ontario Jonathan Ip, EY Law*, Calgary, Alberta Sandra Smith, Ryan*, Mississauga, Ontario

3:30 – 5:00 p.m. (ET)	**Ask the Experts – Panel of Practitioners from Accounting and Legal Firms Addressing Canadian Tax Issues from the Audience & Hot Canadian Tax Topics -Including Dealing with Canadian Tax Authorities & Managing Canadian Tax Disputes** That's right, free advice from practitioners! This is your chance to question practitioners and get their views on various Canadian tax issues. The panel will discuss how to deal with Canadian federal and provincial tax authorities on an ongoing basis – including how to get guidance (e.g., rulings), make voluntary disclosures and the advantages of doing so, and managing overall risk. They will then discuss what to expect during a Canadian indirect tax audit – from audit, through objections, and to court, and how your strategy may vary depending upon the tax in issue, the jurisdiction involved, and the issue in dispute. When you should engage assistance from a practitioner will be discussed. The panel will also address trends they expect to see in 2020 and beyond including some of the new and evolving Canada Revenue Agency interpretations, as well as the Canadian tax authorities' approach to indirect taxes including their areas of focus and consideration of their risk assessment model and hot audit topics. Moderator: Fred Nicely, COST, Washington, DC Speakers: Grace Caputo, Grant Thornton*, Mississauga, Ontario Jonathan Ip, EY Law* Calgary, Alberta Alex Pankratz, Baker & McKenzie*, Toronto, Ontario Clyde Seymour, Ryan*, Mississauga, Ontario
5:00 p.m. (ET)	**Webinar Adjourns**

***Denotes COST Practitioner Partner**