



CORPORATE TAX STRATEGY COMPARISON

# Do Nothing — or Build Something.

*A side-by-side look at what happens to \$500,000 in retained earnings over 10 years — left unmanaged vs. deployed through the Goald & Co strategy.*

<b>\$500K</b>	<b>10 Yrs</b>	<b>~50%</b>	<b>\$32,490</b>	<b>BC / AB</b>	<b>Age 50</b>
RETAINED EARNINGS	HORIZON	PASSIVE TAX RATE	RRSP MAXED	PROVINCE	BUSINESS OWNER

APPLES-TO-APPLES AT YEAR 10

DO NOTHING

## Passive investing inside the corporation

GLCs, stocks, mutual funds — taxed at passive rate

Starting retained earnings	<b>\$500,000</b>
Gross return (5%/yr)	<b>\$315,000</b>
Passive income tax (~50%/yr)	<b>(\$158,000)</b>
Net corporate value at Year 10	<b>\$657,000</b>

GOALD & CO STRATEGY

## COLI + IRP + CDA coordinated structure

Corporate life insurance + insured retirement plan + CDA extraction

COLI   IRP   CDA   TAX-EXEMPT GROWTH

ZERO DIVIDEND TAX

Retained earnings redirected to COLI premium **\$50,000/yr**

RRSP contributions (maxed, 10 yrs) **\$324,900**

Personal dividend tax to extract corp (45%) **(\$296,000)**

RRSP taxable at death (50% avg) **(\$162,000)**

Estate: deemed disposition & probate **(\$48,000)**

NET TO ESTATE — YEAR 10

**~\$476K**

CSV growth — tax-exempt inside policy (10 yrs) **~\$620,000**

Tax on CSV growth annually **\$0**

Death benefit at Year 10 **\$1,800,000**

CDA credit (death benefit - ACB) **~\$1,590,000**

Personal tax on CDA dividend **\$0**

IRP retirement income (tax-free draws) **\$120K/yr**

SBD erosion from passive income **Eliminated**

NET TO ESTATE — YEAR 10

**~\$1.97M**

GOALD STRATEGY ADVANTAGE

**+\$1.49M**

↑ More than 4x the net estate outcome

Do Nothing — Net Estate

~\$476K

~\$476K

Goald Strategy — Net Estate

~\$1.97M

~\$1.97M

HOW THE STRATEGY WORKS

## Three Coordinated Tools.

### *One Outcome.*

The Goald & Co strategy combines corporate life insurance, an insured retirement plan, and the Capital Dividend Account into a single, tax-efficient structure designed to minimize tax at every stage.

TOOL 01

**COLI**

- Corporate-owned participating whole life policy

TOOL 02

**IRP**

- CSV pledged as bank collateral at retirement

TOOL 03

**CDA**

- Death benefit above ACB credited to CDA

- Funded with pre-tax retained earnings
- CSV grows completely tax-exempt inside the policy
- Death benefit creates CDA credit at death
- Reduces passive income pool — protects SBD

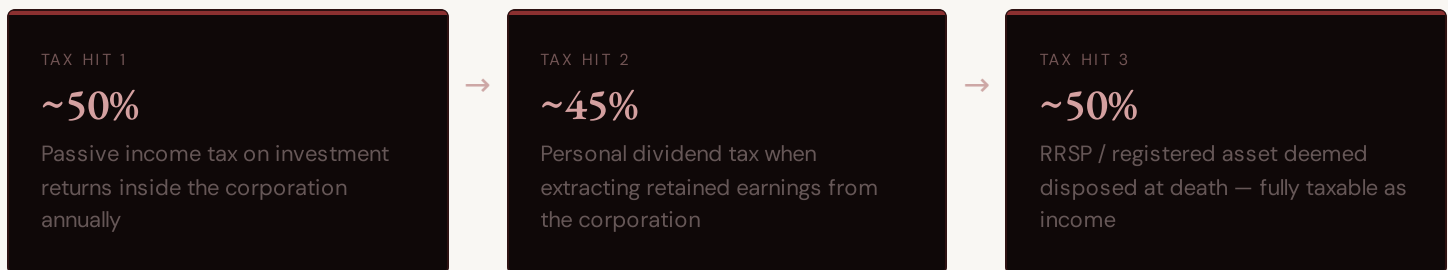
- Annual tax-free draws — not income, not withdrawals
- Policy keeps compounding while bank lends
- Loan repaid from death benefit at death
- Delivers \$120K+/yr tax-free retirement income

- CRA Form T2054 filed — capital dividend elected
- Capital dividend paid to shareholders — zero personal tax
- Estate receives wealth completely untaxed
- No deemed disposition, no probate on insurance proceeds

## THE DO NOTHING PATH

### Every Dollar Taxed *Three Times.*

Retained earnings left unmanaged face three distinct tax events before they reach your heirs.



## ESTATE OUTCOME AT YEAR 10

### What Actually Reaches *Your Heirs.*

DO NOTHING — ESTATE BREAKDOWN

Corporate passive investing + RRSP	
Net corp value after passive tax	\$657,000
Less dividend tax to extract (45%)	(\$296,000)
RRSP value (10 yrs, maxed)	\$428,000

GOALD STRATEGY — ESTATE BREAKDOWN

COLI + IRP + CDA coordinated structure	
Death benefit paid to corporation	\$1,800,000
CDA credit (benefit - ACB)	\$1,590,000
Capital dividend to heirs (tax-free)	\$1,590,000

Less RRSP deemed disposition at death **(\$162,000)**

Estate admin, probate, misc. **(\$48,000)**

Death benefit (no insurance) **\$0**

NET TO HEIRS

**~\$476K**

ACB taxable portion (after dividend tax) **~\$115,000**

Remaining corp assets (non-passive) **~\$265,000**

Tax on CDA distribution **\$0**

NET TO HEIRS

**~\$1.97M**

GET YOUR NUMBERS

## See This Built Around *Your Corporation*

This comparison uses a sample business owner. Book a 15-minute call and we will model the exact same comparison using your retained earnings, your age, and your corporate structure.

[BOOK A STRATEGY CALL →](#)

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*Sample illustration only. All figures are approximate and for educational purposes only. Actual results depend on tax rates, insurer dividend scale, policy design, ACB, corporate structure, and individual circumstances. This is not tax, legal, or financial advice. Strategies should be reviewed with your accountant and legal counsel prior to implementation. · goald.ca*