



KLT
WEALTH MANAGEMENT

**TAX
TIME!**



APRIL 2024



Market Watch

After a relatively flat first two weeks of March in the broad markets, stocks rallied this past week. Positive sentiment continues to be led by the emergence of AI, coupled with strong earnings and development news from the big tech names. The S&P500 now sits at a P/E ratio of almost 29, a level not seen in almost 3 years. Given the high valuations, and disconnect between larger and smaller cap stocks, there are some analysts predicting a softer spring through to the summer across broad markets.

Inflation and interest rates continue to be a hot topic, with the US FED releasing notes at their March meeting that they expect to make 3 rate cuts in 2024. This got the markets excited about the potential of quantitative easing in the near future. In Canada, the Central Bank has been careful to not place any expectations of rate cuts. As we enter the spring season if the real estate market picks up as it typically does, you could see the Bank of Canada wait even longer before they begin cutting rates. This could throw a lot of expectations off, but the Bank of Canada will be careful as the last thing they want to do is have to raise rates again after they begin cutting.

- Brad Wilson CIM®

Death & Taxes: The Role of an Executor

Being an executor isn't an easy job. Firstly, it's a title only given in the event of a death. The death of someone who trusted you to handle their affairs when they can't. Second, you must deal with various professionals - funeral directors, lawyers, accountants, banks, insurance companies, wealth advisors, etc. Third, you must juggle the needs and wants of family and friends. And lastly, you may not get a thank you for your efforts. That said, if you are an executor, here is a step-by-step list of the items to complete:

1. Plan the Funeral - The first point of contact for most executors is the funeral home and they are a great resource. After the funeral, the funeral home often gives you a list of tasks to close the estate and copies of the death certificate - You will need several copies. Many even get the ball rolling by notifying Service Canada of the death for you.

2. Inventory Everything - Next, inventory the estate. List all the assets including accounts, bills, insurance policies, physical assets, and online accounts. Include contact information for businesses and/or professionals you will need to contact.

IMPORTANT: Get a logbook to track all your appointments and actions in case you're ever questioned.

3. Probate ... or Not - Once you have a list of assets, it's time to determine if probate is necessary. Probate is the last 'kick at the can' for the government to collect taxes. Get a hold of the will and work with a lawyer and the deceased's wealth advisor - they will help determine if you need to file for probate.

PROBATE GUIDELINE: Accounts or policies with a named beneficiary aren't subject to probate. This includes TFSAs, RRSPs and insurance policies. Joint accounts/assets also generally bypass probate. Everything else may be subject to probate.

4. Notify & Plan - Give notice of the death to banks, investment companies, credit cards, insurance, etc. Ask for a written list of requirements to settle the accounts. Then start collecting these items and settling accounts as you obtain what you need. Please note that some accounts can only be settled once probate is complete.

5. File Taxes - The executor must file an income tax and benefit return and pay any owing taxes by April 30 of the year after the date of death. If the death was in November or December, the deadline is six months after the date of death.

6. Distribute Assets - Once probate is completed, income taxes filed, and bills paid, you can start distributing the assets. You want to ensure all expenses are paid first or you, the executor, will be responsible for any owing amounts.

7. Pay Yourself - Executors can take a fee from the estate. I recommend taking an amount to compensate for all your time and effort.

For more tips and assistance on handling estates contact KLT Wealth Management.



World Health Day April 7th



Earth Day April 20th



Tax Deadline April 30th

JOKE OF THE MONTH

The hardest part about taxes is trying to figure out which shoebox all the receipts are hiding in!



Monthly Recipe

Egg Salad

Ingredients:

- 8 Eggs (hard boiled and cooled)
- ½ cup Mayonnaise
- 1 ½ teaspoons Yellow Mustard
- 1 Green Onion (thinly sliced)
- 1 rib Celery (finely diced)
- 2 teaspoons Fresh Dill (chopped)



Directions:

1. Cut eggs in half. Remove yolks and chop whites.
2. Mash yolks with mayonnaise, mustard and salt & pepper to taste until smooth and creamy.
3. Add remaining ingredients and stir well.
4. Serve on bread or over lettuce

ENJOY!

**Is there a topic or question you want
mentioned in a future newsletter?
send us an email at
team@kltwealth.ca**





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Our mailing address is:
148 Peel Street Unit 1B, New Hamburg, ON N3A 1E3

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