

BERKSHIRE SECURITIES INC.  
BERKSHIRE INSURANCE SERVICES INC.

FINANCIAL STRATEGIES FROM

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## Welcome to My E-Newsletter on Personal Financial Planning!

You are receiving this leading edge financial E-newsletter because you are a client of my practice. I greatly value my responsibility to help you reach your financial goals and part of this responsibility is to keep you regularly informed on financial topics relevant to your situation. Face to face regular meetings on a regular basis are always my preference, but a carefully designed email newsletter will enrich our advisory relationship with you by providing timely “need to know” financial facts to help you manage your finances more effectively. This will also reduce paper mailings to your home at a time where everyone is becoming more environmentally sensitive.

I hope you enjoy this E-newsletter. As an established national writer I will personally write the majority of the content, always with your needs in mind as I write.

Two housekeeping items: if you prefer to get this E-newsletter to a different email address, please let us know. Or if you are feeling comfortable with your finances now because of our existing advisory relationship and do not wish to receive this E-newsletter, please let us know as well.

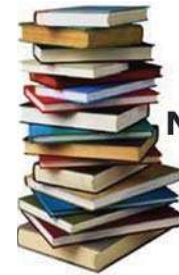
As we roll out each edition of this E-newsletter, your feedback is always welcome.

Thank you for the privilege of working with you and I hope this E-newsletter earns a respected place in your email inbox!

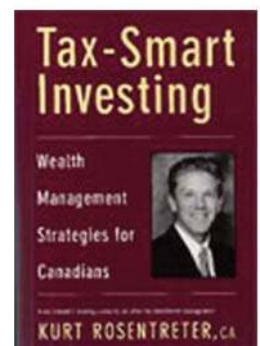
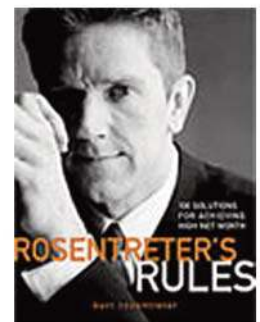
## INVESTMENT NEWS

**New Children’s RESP Savings Limit for 2007.** The February 2007 Federal Budget eliminated the annual contribution limits for RESPs while also raising the lifetime contribution into the RESP to \$50,000. Technically this entire amount can now be contributed all at once. However, parents motivated to obtain the government’s free grant gift each year will be pleased to know it has been raised to \$500 per year per child based on higher annual contributions of \$2,500 per year per child.

**New RRSP Limits for 2007.** The upper limit for RRSP contributions has been raised to \$19,000 or a savings of \$1,587 per month. Your actual RRSP contribution room should be verified to your Notice of Assessment form received each spring after filing your tax return. Contact us at the office to start or modify a monthly savings plan. Smart planning says to make your RRSP contribution early in the year instead of waiting until the February 2008 deadline for 2007. Borrow money to contribute to an RRSP if the loan is paid off within one year only. Use the tax refund to pay down the loan.



**Kurt’s  
National  
Best  
Selling  
Books**



## TAX NEWS

**Tax Season is Over – What to Learn for Next Tax Season.** Don't even think about filing your tax return until after April 20th if you have a lot of investments. Tax slips are still arriving in early April and filing too soon may cause you to miss some of these slips.

Beware return of capital on income trusts! Many investments today are returning a portion of your own investment with the annual income they pay you. This return of capital must be tracked (by you) over the life of the investment as it reduces the cost base that is used to calculate the capital gain or loss at the time of sale.

Review your tax situation this December, not next year. We pay our taxes on a calendar year basis and many tax deductions apply only if paid before December 31st. A good example of this is your Berkshire investment counsel fees. The December fees are not paid until January and are therefore not tax deductible in the current year. Consider changing the fee frequency to get a larger tax deduction in the current year.

Keep your vehicle parking and mileage log up to date if you write off your car for tax purposes. Details of your travels should be written in a log book that you keep in your vehicle. Call the office if you would like to receive a complimentary log book for 2007.

Do you earn more than \$100,000 per year and wish to pay less income tax? Try purchasing an oil and gas flowthrough tax shelter for a small amount and enjoy the 100% tax writeoff. Keep in mind they are high investment risk, hence the recommendation of trying a small amount only. Contact the office to place an order for 2007.

## NEW IN PENSIONS

**Pensioners Have Two New Perks.** Effective 2007 retired pensioners can now split their qualifying pension or RRSP income with their lower income spouse and possibly save thousands of dollars of income taxes each year. Make sure your tax return preparer completes careful planning to take advantage of this whopper of a tax break.

Retirees who had turned 69 or 70 and had started drawing on their RRIF can now stop until they are age 71 thanks to recent Federal Government changes. This will permit a continued tax deferral of income earned for a few more years.

## WHAT WE DO....

**Did You Know We Do This?** You can avoid paying the annual RRSP trustee fee of \$137.50 if your portfolio is entirely mutual funds and we convert your accounts to a direct registration format? Contact the office to learn more about how we do this.

Old stock certificates in someone's safety deposit box can be a nightmare to clean up when you die. We can set up a basic brokerage account with no fees and deposit the certificates into a new account for no charge, greatly simplifying accounting for you. Check with parents and grandparents too and help them avoid a future hassle.

In 2006, we sold more than 10 life insurance policies, disability insurance policies and critical illness insurance policies. If you were not aware we offer insurance services or if it has been some time since your last insurance review, let's schedule a time to speak further about how we can help with your insurance needs. This can include many old insurance policies where you may no longer have an agent – you can make us the agent of these policies and then have a contact to better understand the policy that you own.

## BEST RATES

**Best Rates on Short Term Cash Savings.**

Many financial institutions pay less than 2% daily interest on bank balances. Many mutual fund money market funds pay even less. At Berkshire we can offer the following products for your short term cash savings. There are no fees and money can be returned to you with a few days. Rates are subject to change, but here were the rates as of the time of this newsletter release:

- 4% for Altamira cash performer,
- 4.1% for Dynamic cash account and
- 4% for Manulife Bank.

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Contact us to answer your questions, schedule a meeting, get a second opinion, refer a friend, order a book, receive a brochure on services and fees, create a financial plan and more. \*MEMBER CIPF.

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