



Saving Probate Taxes: Two Wills – Shares in a Private Corporation

February 12, 2016

This further to my article called [*Saving Probate Taxes: Two Wills*](#). For obvious reasons, when engaging in estate planning activities, the goal is to employ strategies that will reduce the value of the estate submitted for probate, which will in turn reduce the probate tax.

The use of dual Wills has become an effective estate-planning tool in Ontario, specifically in a situation where a person intends to transfer privately held shares of significant value. Dividing your assets into two separate wills, and having one will that deals with the shares in the private corporation separate from your other assets, can help a business owner shelter that asset from taxation thereby saving thousands of dollars for his or her beneficiaries.

Normally, when a person holds shares in a private company they know the directors personally and, in fact, it is not uncommon for the directors to be family members. In such circumstances it won't be necessary to prove to the directors that your last Will is your last Will and that your executor has authority to deal with your assets. Because there is no unrelated third party and no need for the executor to produce a probated Will, there's no need to have the secondary Will certified by the Court. The directors can transfer the shares without probate thereby saving the estate the taxes that would normally be calculated on the value of the shares if they were being transferred pursuant to a will submitted for probate.

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