Recent Tax Law Cases and Court Decisions

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Recently, the expanding **TDS Law Tax Litigation Practice** successfully represented clients against the Canada Revenue Agency (CRA) on the following matter:

In the case of *St. Arnaud et al. v. The Queen*, the CRA assessed a large group of taxpayers from across Canada on the basis that investments in Registered Retirement Savings Plans (RRSP) were not in qualified investments and that the amount of the investment was less than the fair market value, triggering a taxable income inclusion under the RRSP provisions of the Income Tax Act. While the investors thought they were purchasing valid investments, the investments were in fact worthless. Not only did the taxpayers lose the funds they invested, the CRA took the position that the amounts were to be included in income. The Tax Court of Canada agreed with the CRA's position, but the Federal Court of Appeal, in a unanimous 3-0 decision, agreed with the arguments presented by TDS counsel, Jeff Pniowsky. This was a precedent-setting case in the interpretation of the RRSP provisions of the Income Tax Act, and a result which saved the group of taxpayers millions of dollars collectively.

Jeff Pniowsky focuses his practice exclusively in the areas of tax litigation and tax dispute resolution. Formerly a senior Tax Litigator with the Federal Department of Justice acting on behalf of the Canada Revenue Agency (CRA) for almost 10 years, Jeff has advised the Aggressive Tax Planning Division of CRA involving some of the most significant tax matters in the Prairie region. He also sat on the National Tax Avoidance committee for Justice Canada.

Jeff now serves local and national clients of TDS Law with a wealth of experience in litigating at all levels of both the Provincial and Federal courts, including the Supreme Court of Canada.

ABOUT THOMPSON DORFMAN SWEATMAN LLP (TDS Law)

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