

The Joint Committee on Taxation of
The Canadian Bar Association
and The Canadian Institute of
Chartered Accountants

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January 30, 2006

Mr. Brian E. Ernewein
Director, Tax Legislation Division
Tax Policy Branch
Department of Finance
L'Esplanade Laurier, 17th Fl., East Tower
140 O'Connor Street
Ottawa, Ontario K1A 0G5

Dear Mr. Ernewein:

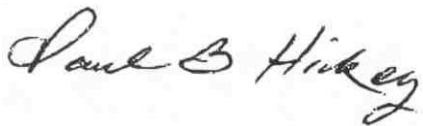
Issues for Consideration—July 18, 2005 Draft Technical Amendments

We are pleased to provide the attached submission with respect to the July 18, 2005 Draft Technical Amendments (the “2005 Proposals”) for your consideration and review.

We note that many of the provisions of the December 20, 2002 and February 27, 2004 Draft Technical Amendments have been carried over to the 2005 Proposals without reflecting the recommendations made in our submissions on those earlier proposals. Although this submission does not repeat our previous recommendations, we continue to believe that they are valid and ask you to reconsider them. We attach a copy of our previous submissions of May 6, 2003 and December 20, 2004 for your reference.

We trust you will find our comments and recommendations helpful. We would be pleased to meet with you and your colleagues to elaborate on any of the issues discussed in this submission or our earlier submissions.

Yours truly,



Paul B. Hickey, CA
Chair, Taxation Committee
Canadian Institute of Chartered Accountants



William R. Holmes
Chair, Taxation Section
Canadian Bar Association