



By Cory Soal
R.H.A.D.

... Lend Me Your Ears

New technology developed in the past several years can help most people with hearing loss to achieve improved communication. Today's hearing instruments have evolved from simple devices to remarkably sophisticated and technologically advanced personal hearing computers. In just the last few years, more advances in hearing aid technology have been made than throughout history.

In many hearing aids, there are no longer knobs or controls, because the instruments automatically adjust loudness. Some hearing aids are programmed so that they require only the push of a button either on the hearing aid or on a wireless remote control to switch to different listening situations and provide balanced sound in the office, at home, on the telephone, or at a concert. Digital and digitally programmable hearing aids have been introduced that amplify signals in new ways and make the benefits of hearing aids even more customized. Many hearing aids are virtually computers with flexible and sophisticated processors that analyze and respond to specific sounds. Some advanced hearing instruments process sound more than a million times per second.

To find out more about these latest advancements call...

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Tooth Chatter



by
**ALEX
TRENTON
DENTURIST**

THE "DREADED" IMPRESSION! 5 COMMON COMPLAINTS:

Many people are reluctant to have new dentures made because of experiences they went through when having their original set made. New technology and materials have made this procedure a "Palatable Experience". So now, even people with a sensitive gag reflex, that tend to gag very easily, find it much easier than they had expected. Special rubber based materials and putties are now available, thus replacing the materials known for dripping down the throat and causing that gagging feeling.

An impression is taken of your gums. The print is then reproduced in stone, which will be an exact replica of your gums, and from this foundation your denture is made. So don't dread the impression! Most people report that they would have had new dentures made sooner, if they had known how much easier the impressions are today. Denture Technology is making leaps and bounds!

LET US MAKE A LASTING IMPRESSION!

You do not need a referral; simply call our office direct.

Creating confident smiles since 1982.
Alexander Trenton, D.D., F.C.A.D. (A)
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BUSINESS LINK

Chamber Golf Day a Success

The Chamber recently hosted another successful golf tournament at North Halton Golf & Country Club. The weather cooperated and the course was at its best.

Thank you to our main sponsors:
Prosperity One Community Banking & RWR Technology.

A special thank you to the planning committee: Michael Turner - Global Promotional Apparel, James MacLeod - James MacLeod Group and Sharon Arnold - Prosperity One.

Many people volunteered to make the day a success. They include: Gina Alderman - Polka Dot Party Planning, Sharon Arnold - Prosperity One, Tina Gilbert - Accents Décor, Mary Judge - Virtually Working for You, Pat McLeod - Tiburon Business Services and Larry Nicholson - Nicholson Network Services Inc.

Our members were very generous with their donations. Businesses that made donations include: Accents Décor, ActivEars Hearing Centre, Acton Sobeys, Bank of Nova Scotia - Acton, Baskets and Botanicals, Blue Springs Spa and Salon, Business Development Bank of Canada, CAA, Carafe Wine Makers, Dufferin Aggregates, Global Promotional Apparel, Goebelle MacAdam Alexander LLP, Goodlife Fitness Clubs, Halton Hills

Furniture & Appliances, Ice Dream Art, Impact Heating & Air Conditioning Inc., Leferink Transfer Ltd., MacMillan's Gourmet Frozen Foods, Mike Francis Insurance Agency - State Farm, Parisi Computers, Paul C. Armstrong Insurance Brokers Ltd., Plumbing Warehouse Bath and Kitchen, Prosperity One - Georgetown, Ray Johnson and Associates Inc., ScotiaMcLeod - Scott Becksted, Sheridan Nurseries Ltd., Staying Alive Fitness Inc., Stonecroft Country Guest House, Subaru Canada Inc., The Georgetown Hearing Clinic, The Stuffed Olive - Wood Oven & Taps, Union Gas Limited, Videoself, Virtually Working for You and Young's Pharmacy & Homecare.

Last, but not least - thank you to our sign sponsors: Arnies Collision Centre, Best Western Inn on the Hill, Business Development Bank of Canada, Chalmers Esso Fuels, Communications & Power Industries Canada Inc., Gerrie Electric Wholesale, Goebelle MacAdam Alexander LLP, Goodlife Fitness Clubs, J.S. Jones & Son Funeral Home Ltd., John A Gibson Chartered Accountant, Johnson Associates Halton Ltd. Brokerage, McClure Carpentry, G. Mocoda Interactive, Neilson Dairy Ltd. (William Neilson Ltd.), Nellis Construction Ltd., Paul C. Armstrong Insurance Brokers Ltd., Power Quest Electric Ltd. and Unilock Ltd.

Small Business, Private Health Services Plans and the Tax Man

The purpose of a Private Health Service Plan (PHSP) is to enable an employer to provide health benefits to their employees on a tax-free basis and deduct the costs from the income of the business.

Many small businesses establish PHSPs as a benefit for owners. The Canada Revenue Agency (CRA) is reviewing plans that have been set up to benefit one or a few of a company's shareholders. In some cases, they have reassessed both the owner and the company and have had these reassessments upheld in Tax Court. If you want to set up a PHSP for your company, be aware of what they will be looking for.

In general, the Income Tax Act defines PHSPs as insurance contracts for medical expenses between employers and employees. This type of benefit is exempt from tax to the employee. However, the plan must be an employment benefit, not a shareholder benefit to allow for this tax treatment since shareholder benefits have different rules for taxation.

There are two common types of PHSPs. The first is a traditional health and dental plan in which a premium is paid to an insurance company in return for a package of benefits. The second type is a cost-plus plan. In this situation, an employer contracts with a trustee to cover defined risks or claims of an employee and their dependents. The employer reimburses the cost of such claims plus an administration fee. When a shareholder is a member of a cost-plus plan by virtue of employment, the company can cover his medical expenses and deduct the amounts paid. A taxable benefit doesn't arise for the shareholder personally. The tax treatment associated

with a PHSP is clearly advantageous to both the company and employee.

In a case that went to Tax Court, the owner of an incorporated company established a cost plus plan for himself only - no other employees were provided this option. Additionally, the plan was set up shortly before the owner underwent expensive medical treatments.

The CRA reassessed the business owner on the basis of receiving a benefit as a shareholder and they also disallowed the business expense claimed by the company. This resulted in the payment being taxed twice.

The Tax Court ruled that the owner received a shareholder benefit. It decided that the plan would never have been entered into had the owner not been a shareholder. Since there was no evidence that other employees were covered and given the amount involved, the judge concluded that it would be very unlikely that such a plan would be set up for the employees.

In disallowing the business expense, the Court determined that the purpose of paying for the medical costs was for the benefit of the owner and not for the purposes of the business to earn income.

Clearly, the CRA will challenge a PHSP when it believes that the plan has been set up primarily for the benefit of shareholders. So remember to get advice before setting up a cost-plus private health services plan so that you don't end up paying tax twice.

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