Letter to the Editor:

Recently, we sold our home in Stouffville, and plan a move to London, Ontario this summer.

We had the distinct pleasure of listing our home with Gallo Real Estate - in particular, with Joe Gallo and Norma Card. We were so impressed with the professionalism, courtesy and respect they showed our family.

Joe Gallo also helped us in many ways with our dealings in London-going out of his way with assisting us in a private sale, and making sure that everything went smoothly there as well. He even helped make arrangements to contact movers for us that were reputable.

Gallo Real Estate personnel were always friendly and helpful if we had any questions or concerns. They truly treated us like we were part of a family.

We are very grateful for the way they handled everything, from start to finish, and how they made everything go so smoothly and efficiently.

We can only hope that should we ever be in a position of moving again, that we are fortunate enough to find anyone else that is comparable to Gallo Real Estate.

Sincerely,

Jackie Del Degan + Gord Del Degan

Gord & Jackie Del Degan.

Money Talks

Q&A to some of your tax questions

Q: This year I suffered a capital loss on the sale of some shares. Apparently I can carry this loss back three years and apply it against capital gains I reported in 1993. Is this a good idea?

A: It depends on whether your 1993 gains were sheltered by the capital gains deduction which was in effect at that time.

You should never carry back a capital loss and apply it against capital gains for which you have already claimed a capital gains deduction. Besides wasting your capital loss by applying it to gains which have already been sheltered from tax, this strategy would create an unpaid balance for the interim period on which you would be required to pay interest.

Another factor to consider is your 1993 marginal tax rate. If 1993 was a low-tax year, and you anticipate future gains in a high-tax year, you may want to save the gains for future years, rather than carrying them back.

Q: I was forced to sell my house at a loss when my employer transferred me to a different city. Can I claim this as a moving expense?

> You cannot claim a loss on the sale of your principal residence, but you can claim expenses related to the sale if your mortgages are paid off before maturity.

A: No, you cannot claim a loss on the sale of your principal residence.

However, you can claim expenses related to the sale such as real estate commissions, legal fees, advertising and mortgage penalties if your mortgages are paid off before maturity. You can also claim any legal fees and land transfer tax (but not GST) incurred on the purchase of your new residence.

Q: I withdrew money for my RRSP in October 1996 to buy a home. I have been told that because of this I cannot make a RRSP contribution to reduce my taxes for 1996. Is this true?

A: No. Under the rules for first-time home buyers, you are only prohibited from deducting RRSP contributions made in the 90 days immediately preceding your Home Buyers' withdrawal, and then only if the balance remaining in your RRSP after the withdrawal is less than the amount you contributed during that period. Outside the 90-day period, there are no restrictions, other than the usual RRSP limitations.

This article was submitted by Helen Davis and H&R Block.

Money Talks