

# HST on funeral, cemetery services can be avoided

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It's said there are only two certainties in life— death and taxes. Dods & McNair Funeral Home is pleased to announce that planning for death may reduce your taxes.

The Ontario Government has announced that the new Harmonized Sales Tax (HST) to be implemented on July 1, will not apply to funeral and cemetery contracts signed and pre-paid prior to the implementation date.

This exemption allows consumers who sign and pre-pay for a funeral or cemetery service before July 1, 2010, to save 8% tax.

“For years, we've been advising Dufferin County families about the financial, practical and emotional reasons for planning their funerals ahead of the time of need,” said Terry Gauthier of Dods & McNair Funeral Home. “With the added incentive of hundreds of dollars in tax savings, it's the perfect time to contact us to learn more about funeral or cemetery pre-preplanning.”

Currently, funeral services are subject only to the 5% federal Goods and Services Tax. For example, consumers who spend \$5,000 for funeral services currently pay \$250 in taxes. When the HST comes into effect next year, it will add \$400 to the cost of a \$5,000 funeral, bringing the total taxes to \$650.

Increasingly, Canadians are discovering the value of funeral and cemetery pre-planning. Last year in Ontario :

- 87,855 people died
- 19,276 pre-paid contracts were provided
- 21.9% of funeral services were funded with pre-paid funeral contracts
- 30,024 new pre-paid funeral contracts were signed
- The average cost of funeral services was \$4,475 (including the funeral, visitation, body preparation and services to have the body interred or cremated, etc., but not taxes, casket or disbursements such as death notices, flowers or cemetery charges).
- The average cost of direct to cremation was \$1,614 (including the minimum services required to have the body interred or cremated).

“We plan ahead for many things in life, including careers, weddings, starting a family, our children’s education and our retirement,” said Mr. Gauthier. “It is only natural to plan our funerals, too.

With the chance to save hundreds of dollars by finalizing funeral contracts before the HST is launched next year, preplanning is more attractive than ever before.”

To learn more, contact Dods & McNair Funeral Home at 519-941-1392. Or, visit [www.dodsandmcnair .com](http://www.dodsandmcnair.com)