

### The Choice in Paying Taxes

Too many people think they have no choice regarding paying taxes. That is simply not true. There are many choices, some have immediate consequences and some are very much delayed.

I know one individual who started a corporation when he was relatively young and began building rental property: duplexes, four and sixplexes. The individual built them all by himself, no employees or help from anyone. He never pulled a wage from his company and therefore his property was valued only at purchase price and material cost. His annual income for well over forty years always hovered around poverty level. However, when it was time to retire he began to sell his properties. Now it was time to pay the taxes. Forty years of no taxes finally came to an end. Now, with proper planning he reduced his taxes payable significantly but he still had to write the biggest check he ever wrote in his life. This gentleman primarily held one business model for over forty years. He limited his opportunity but followed a plan that had very significant immediate and long term consequences. His immediate lifestyle for over half a century never deviated more than 15-20%. He had one tax bill at the end of his career. He lived with that result.

Every choice has consequences. Some of the best choices require the person to think much further down the road than just the next few dotted lines.

**I had an operator come into one of our offices and ask what we could do to reduce their taxes for last year (they didn't like the figure they got from another firm). My office manager replied with the correct answer... "Probably nothing significant! However, if you want to reduce next year's taxes by \$10,500+ I can help you with that". The client didn't like the answer and walked out. The real funny part was this was not the first time they came to us. They walked in last year with the same question, and left without doing anything different.**

I believe it was Albert Einstein who said, the definition of insanity is "doing the same thing over and over again and expecting different results".

I have had the pleasure of writing for Over the Road since 2008. Several times a year I present what my first book discussed, reducing taxes by using the non-taxable benefits available to a wide range of industries (including trucking). The system is not for the short minded operator. It's designed for serious businesses.

For those who want to legally reduce their taxes it is a choice and a discipline that produces phenomenal results. Nearly everyone must be tutored into the system because there is a lot to learn and it has to be done right. However, the return on investment is many multiples. It may not guarantee success as an operator but it greatly reduces one major obstacle... taxes.

The average Canadian operator pays between \$12,000 and \$18,000 in taxes. They are in travel status an average of 240-250 days per year. Using non-taxable benefits they end up only paying taxes between \$2,000 and \$8,000.

I still have the occasional client who pays a great deal more than \$8,000 but it must be said they also make a great deal more than the average Canadian operator.

Occasionally I get an operator who thinks it's my job to eliminate taxes no matter how much they make. Canadian tax laws have a word for that "incarcerated". Everyone should pay their fair share of taxes. Using the right system defines the word fair.

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