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## Are there any secrets left? Books promise to save money and survive audit

With just two weeks until the annual filing deadline, you can be sure the taxman is watching to see if you'll file an accurate tax return in time. I've borrowed that phrase from the title of one of the feistier tax books clogging bookstore shelves this time of year.

The Taxman is Watching (HarperCollins, 2008) is adversarial in tone. Tax lawyers Paul DioGuardi and

son Philippe Di oGu a r d i argue you can never keep the taxman happy for long. Instead, they provide a wake-up call on the Canada Revenue Agency's "police-like powers," drawing on Paul's insider experience as advisor to the tax litigation section of the Department of Justice.

Owing to a high-profile advertising campaign, Dio-Guardi Tax Law is one of Canada's best-known negotiators of tax amnesty settlements. It's clientele includes tax filers who seek to get back into the system, often out of fear that disgruntled former spouses or business partners may use the CRA's Snitch Line to expose their tax evasion.

The DioGuardis believe a healthy dose of fear and suspicion is a rational taxpayer response to the CRA, which it dubs the "Agency." The book begins with the observation that the most common reaction when Canadians receive the Agency's brown envelope in the mail is to have an involuntary jump in their heart rates -- even those who are scrupulously honest and punctual.

The book argues we should "be very afraid," as it summarizes the top 10 tactics the Agency uses against us. Then it guides us through the maze of tax audits, tax appeals and the tax amnesty alternative, which is the core of the authors' business.

If you've been hiding under-ground fearing discovery by the CRA, this book is an essential guide on how to come clean. It's primarily for those already in trouble, or potential trouble, with the taxman. For those who are not, and wish to retain that status, other guides aim to help us keep as much money for ourselves as possible -- within the letter of the law.

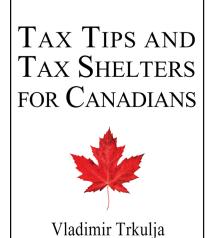
Tax Tips for Canadians for Dummies, 2008 edition (Wiley, 2008) is co-written by four chartered accountants/financial planners. Its handy index is useful even if you're using

tax software for your return or handing the whole wretched task over to tax professionals. It includes the latest tax cuts and changes to rules for RRSPs and RESPs. Five new pages focus on pension splitting. However, most of the tips in the Dummies guide are well known. Even pension splitting has been well covered in the media.

All of which makes the title of Tim Cestnick's 101 Tax Secrets for Canadians (Wiley, 2008) intriguing. Could it really be that in a nation of 25

million tax filers and 100,000 financial professionals, there are a hundred "secrets" no one knows about? Considering this is the 10th edition of this book (originally titled Winning the Tax Game), is it accurate to describe the "tips" as secrets?

One such secret is to save a bundle by giving to charity. A secret? Or tip 64: "Contribute to an RRSP for tax deferral and tax-free growth." If that's a secret, readers have clearly been asleep during the RRSP season.



But apart from the title's hyperbole, Cestnick is a knowledgeable tax practitioner. Granted, some tips are off the beaten path, such as opting out of company pension plans if you have a choice or registering at casinos to track gambling losses for tax savings.

Of course, these books address a mass audience. Sophisticated investors and business owners may prefer Vlad Trkulja's Tax Tips and Tax Shelters for Canadians (Insomniac Press, 2008.) The

author is a Toronto-based financial planner who assesses the tax effectiveness of such complex vehicles as flow-through shares, in-trust-for accounts, return of capital funds, structured notes, prescribed annuities, corporate class mutual funds, exchange-traded funds and universal life insurance. Since his firm sells some of these products, statements such as "leverage is a great planning tool" need to be taken with a grain of salt.

Trkulja also looks at "melting down" registered plans and includes a chapter on how to stop paying income tax altogether by becoming a non-resident of Canada. That gambit was famously covered in Alex Doulis's best-selling Take Your Money and Run!, a last-ditch alternative which may appeal to the more desperate readers of the DioGuardis' book.