

BROWN ECONOMIC CONSULTING INC.

INFORMATION REQUIRED FOR FATALITY CASES

- 1) Names & dates of birth of all family members:
 - a. decedent
 - b. survivor
 - c. all dependent children
 - d. new partner/cohabiter¹ (if applicable) and date of cohabitation
- 2) Email & phone number for surviving partner or spouse
- 3) Date of incident²
- 4) Date of trial (if set) or date of mediation/pre-trial conference
- 5) Detailed resume or profile of the decedent's education and employment history
- 6) Decedent's T1 general income tax returns for **10 years BEFORE the incident date**. (If tax returns not filed/unavailable, then copies of T4s are required)

***** Notices of Assessment are not sufficient for our purposes *****
- 7) Surviving spouse's T1 general income tax returns for **10 years BEFORE the incident date, and all years SINCE the incident date**
- 8) Surviving spouse's paystub(s) for all jobs in current year
- 9) *Diary of Household Activities*TM completed by survivor regarding decedent's provision of parental and housekeeping roles³
- 10) Cost of care assessment (on occasion, a cost of care expert is hired to investigate the surviving household's parental and housekeeping needs)⁴
- 11) If the survivor has remarried or cohabited, we require:
 - a. The new partner's tax returns for all years since the date of cohabitation;

¹ This pertains only if the survivor has remarried or cohabited with a new partner. If a new household has not been formed, this information is not necessary.

² If the date of loss differs from the date of incident, please provide both dates.

³ Brown Economic's household form was accepted by the Alberta court of appeal in *Baker v. Poucette* 2017 ABCA 334. The *Diary* is not required if a cost of care expert has been hired to assess the surviving family members' non-monetary requirements (see [10] above).

⁴ Even though the cost of care expert stipulates monthly or annual costs in his/her report, these are not lifetime costs, nor are they discounted to present value. All cost of care expert reports must be translated into lifetime costs by a quantum expert. The quantum expert also estimates a tax gross-up so that the loss of housekeeping capacity or cost of care award is not eroded by income tax payable on the extra investment income generated by all awards.

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- b. If the new partner has additional dependants that have been added to the survivor's household, we require their names and dates of birth;
- c. The new partner's provision of household services (ask survivor to complete a separate *Diary of Household Activities*TM related to the partner's tasks).

IF ANY ADULT FAMILY MEMBER WAS/IS SELF-EMPLOYED:

- 12) Advise whether the decedent or survivor is a *sole proprietor* or *owns incorporated companies*.
- 13) *Statement of Business Activities* for all **sole proprietorships** for 10 years **BEFORE** the incident, and all years **SINCE** the incident (these are contained in the proprietor's T1 General tax return).
- 14) *Financial Statements* for all **incorporated companies**⁵ for 10 years **BEFORE** the incident, and all years **SINCE** the incident.
- 15) **Income-splitting arrangements:** did the decedent pay wages from a company to a 3rd party who did not work for the company? (The most common example of this is a salary paid to the spouse/partner of the company owner who works few to no hours).
- 16) **ADD-BACKS from the financial statements:** we require the percentage (%) share of any expense category that contains some portion of expenses that are not necessary to operate the business or generate profit. Common examples include:
 - a. personal use of cell phone
 - b. personal use of transportation
 - c. deduction for home office
 - d. portion of meal & entertainment expenses

For instance, the decedent's company may finance the cost for a cell phone, but some portion of its use may be for personal matters, say, 50%. This means we add-back 50% of this expense to the owner's compensation.

⁵ The main information required are the *Statement of Income & Expenses* and the *Balance Sheet* for each fiscal year.

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