A Primer on Canadian Limited Partnerships

September 29, 2022

This resource has been prepared by Nicholas dePencier Wright of Wright Business Law Professional Corporation to provide an educational resource on Canadian Limited Partnerships and their use. This information is current as of the date of writing and does not constitute legal advice, which should be obtained prior to relying on anything herein.

Wright Business Law Professional Corporation of Toronto, Ontario, Canada regularly advises on and assists with the formation of Canadian Limited Partnerships. To book a telephone consultation to discuss if a limited partnership is right for you, please visit: https://wrightbusinesslaw.cliogrow.com/book.

---

1. An Overview of the Canadian Limited Partnership

A. Partnership at Common Law & Statute

The partnership as a business entity dates back to medieval Europe and the Middle East. It was formalized in the United Kingdom by statute with the passing of the *Partnership Act* of 1890, which codified the definition of 'partnership' as "the relation which subsists between persons carrying on a business in common with a view of profit." This Act in its amended form remains law today in Britain. [1]

In Canada, section 92(13) of the *Constitution Act of 1867* [2] grants the Provinces exclusive jurisdiction over "Property and Civil Rights in the Province," which has been interpreted as giving Provinces the authority to regulate trade and commerce within their respective territory. Consequently, partnerships in Canada are governed Provincially (and not Federally) and each Province in Canada has its own partnership legislation.

In Ontario, Canada's most populous Province, partnerships are governed by the *Partnerships Act* (Ontario) [3] and the *Limited Partnerships Act* (Ontario) [4]. Although we will use Ontario as the example, the legislation in other Provinces is generally similar.

The *Partnerships Act* (Ontario) allows for the creation of general partnerships (where all partners are jointly and severally liable for liabilities of the business) and limited liability partnerships (a structure only permitted to be used by regulated professions in Canada such as law and accounting). The *Limited Partnerships Act* (Ontario) is a separate piece of legislation that allows for the creation of limited partnerships.

B. Definition of "Partnership"

The *Partnerships Act* (Ontario), like equivalent legislation in all other Canadian Provinces, is modeled after the United Kingdom's *Partnership Act* of 1890. Section 2 of the *Partnerships Act* (Ontario) codifies the common law partnership as follows:

> **Partnership is the relation that subsists between persons carrying on a business in common with a view to profit…**

Notably, both at common law and under the *Partnerships Act* (Ontario), for a partnership to exist there must be: 1) more than one person; 2) carrying on a business; 3) with a view to a profit. The absence of any of these three elements will result in a partnership having failed to be formed. [5]

In contrast, the *Limited Partnerships Act* (Ontario) does not define the term "Partnership". However, the Supreme Court of Canada in *Backman v. Canada, 2001* [6] found that "[a]s a matter of statutory interpretation, it is presumed that Parliament intended that the term be given its legal meaning for the purposes of the Act" and that a limited partnership "must satisfy the definition of partnership that exists under the relevant provincial or territorial law." Consequently, the definition of Partnership in the *Partnerships Act* (Ontario) also applies to the *Limited Partnerships Act* (Ontario).

C. Partnership not a Separate Legal Entity

Section 15 of the *Business Corporations Act* (Ontario) [7] states that “[a] corporation has the capacity and the rights, powers and privileges of a natural person.” In contrast, the *Partnerships Act* (Ontario) and *the Limited Partnership Act* (Ontario) contain no such provision. This is consistent with established law as has been confirmed by the Ontario Court of Appeal in *Kucor Construction & Developments & Associates v. Canada Life Assurance Co., 1998*. [8]

Kucor affirms that unlike a corporation, a limited partnership is not a separate entity. Rather, it is a form of partnership with special characteristics granted under the *Limited Partnership Act* (Ontario). Consequently, as suggested by sections 8 and 13 of the *Limited Partnership Act* (Ontario), the general partner, and not the limited partnership itself (or the limited partners), must hold all property of the partnership in its name on behalf of the limited partnership. For example, in *Kucor* it was found that a real estate limited partnership must put the general partner on title and cannot own the property in its own name.

2. Legal Elements of a Limited Partnership

As a creation of statue, the elements of an Ontario limited partnership are as stated in the *Limited Partnerships Act* (Ontario).

A. Permitted Business

A limited partnership is generally not restricted in the type of business that it engages in so long as it is a for-profit endeavour. Specifically, the Act permits a limited partnership to engage in any business that a partnership without limited partners may carry on (s.2(1)).

B. Formation

The Act requires that a limited partnership consist of one or more persons who are general partners and one or more persons who are limited partners (s.2(2)). A limited partnership is

formed when a declaration is accepted for filing with the Registrar (s.3.1) signed by the general partners (s.2(3)).

This has the effect in practice of allowing a single individual to successfully register a limited partnership acting as both general and limited partner. While this is not explicitly prohibited by the Act and will not result in a rejection of the application (since only general partners are listed), it would fail to meet the common law definition codified in the *Partnerships Act* (Ontario) and applicable to limited partnerships. Using such an improperly formed limited partnership could create serious issues in the event of an internal business dispute, litigation, or audit.

C. Expiry & Renewal

Every declaration expires five years after the date that it is accepted for filing (s.3(2)), however, if a declaration expires, the partnership is not dissolved but an additional fee is required for the subsequent filing (s.3(4)). This additional late filing fee is currently $150 Canadian.

D. Partnership Register

The general partners of every limited partnership shall maintain a current record of the limited partners stating, for each limited partner, the prescribed information (s.4 (1)).

E. General Partners

The general partners are responsible for the management of the limited partnership and its business operations.

The Act states that a general partner in a limited partnership has all the rights and powers and is subject to all the restrictions and liabilities of a partner in a partnership without limited partners except that, without the written consent to or ratification of the specific act by all the limited partners, a general partner has no authority to do any act in contravention of the partnership

agreement, admit a new partner unless authorized by the partnership agreement and to engage in certain other listed actions (s.8).

This means that general partners are jointly and severally liable for all the liabilities of the limited partnership. Consequently, it is common to use a corporation as the general partner of a limited partnership in situations where the additional cost and administrative burden of setting up and maintaining a corporation justify the benefits of limiting general partner liability.

F. Limited Partners

A limited partner's role is that of passive investor.

A limited partner's interest in the limited partnership is personal property (s.7(2)) and a limited partner is not liable for the obligations of the limited partnership except in respect of the value of money and other property the limited partner contributes or agrees to contribute to the limited partnership (s.9).

A limited partner is not liable as a general partner unless, in addition to exercising rights and powers as a limited partner, the limited partner takes part in the control of the business (s.13(1)). This means that if a limited partner ceases to act as a passive investor and instead becomes engaged in the management of the business, the limited partner may lose their limited liability and instead be treated like a general partner.

A limited partner does have, subject to the Act, the right, (a) to a share of the profits or other compensation by way of income; and (b) to have the limited partner's contribution to the limited partnership returned (s. 11(1)).

G. *Partnership* Agreement

While not specifically required in the Act, practically, a limited partnership needs a written limited partnership agreement to provide framework for specifying the limited partners and the terms under which the limited partnership shall be governed.

When there is only one general and one limited partner and the two persons are connected or affiliated, often a short form limited partnership is used. When there are numerous arm's length partners and new limited partners are expected to be added, a more detailed partnership agreement is commonly used, often with customizations to reflect the particular circumstances, business, and financing plans of the particular limited partnership. A partnership agreement should be prepared by a lawyer experienced with legal drafting and the law of partnerships and often includes provisions such as the following:

- The business of the limited partnership
- The principal business address
- The limited partnership name
- Limiting the liability of limited partners
- Providing management authority to the general partner(s)
- Limiting the role of limited partners to preclude limited partner liability
- Stating the term of the agreement
- Stating the fiscal year end
- Documenting the capital contributions made by each partner
- Specifying how profits are to be distributed among the partners
- Specifying how losses will be shared among the partners
- Providing a formula for amending the agreement
- Providing a process for the addition or removal of general and limited partners
- Granting a power of attorney to the general partner to manage the limited partnership
- Providing a formula for the dissolution of the partnership
- Specifying how assets will be distributed upon dissolution
- Including standard contractual clauses such as governing law and counterparts

The partnership agreement is a private document between the partners and is not publicly disclosed. An examination of the privacy benefits of the Canadian limited partnership shows that it is a useful vehicle for conducting business while maintaining a high degree of privacy.

3. Privacy Considerations for Limited Partnerships

Privacy is important because it affirms an individual's autonomy, places limits on the improper use of government power and provides protection against the use of personal information by those seeking to commit crimes or improperly target one's assets or reputation.

For several decades, however, the international trend has been the reduction and elimination of privacy including as it pertains to business and financial information with the stated objectives of reducing money laundering and terrorism financing and the less trumpeted aims of increasing tax collection and targeting the finances of political opponents.

Perhaps the most notable example of this trend is the work of the G7 formed Financial Action Task Force (on Money Laundering) (FATF) / Groupe d'action financière (GAFI), which was formed in 1989 to develop anti-money laundering policies. In 2001 it expanded its mandate to include terrorism financing. The organization attempts to pressure non-compliant nations to adopt their recommended policies by adding them to their non-compliant 'black' or 'grey' lists, designations which can have serious financial consequences including increased scrutiny and the withholding of aid and loans by the 37 FATF member countries. [9]

Notably, FATF's recommendations '24 Transparency and beneficial ownership of legal persons' and '25 Transparency and beneficial ownership of legal arrangements' [10] call on nations to implement policies to ensure that accurate records of beneficial ownership are readily available.

In Canada the Federal government currently requires that Federal corporations keep a private register of beneficial ownership and has announced in the 2021 budget that it plans to mandate a public register commencing in 2025 [11]. The budget states:

> **Beneficial Ownership Transparency**
>
> **To catch those who attempt to launder money, evade taxes, or commit other complex financial crimes, law enforcement, tax, and other authorities need access to accurate and up-to-date data on the individuals who own and control corporations. Building on public consultations in 2020:**
>
> **Budget 2021 proposes to provide $2.1 million over two years to Innovation, Science and Economic Development Canada to support the implementation a publicly accessible corporate beneficial ownership registry by 2025.**

Perhaps because the (globalist-minded) Liberal Party has formed the Federal government since 2015 and the (business-minded) Progressive Conservative Party has formed government in the Province of Ontario since 2018, there are currently no public plans to implement a beneficial ownership registry for Ontario corporations. In fact, a recent change removing the requirement to have a Canadian resident director for Ontario corporations suggests that the Ontario government may be seeking to encourage non-resident business owners to incorporate in Ontario instead of Federally. Currently in Ontario, only director and officer information can be publicly obtained by carrying out a corporate search of the Ontario government database, though there is a requirement to disclose shareholders holding 10% or more of a corporation to the Canada Revenue Agency when filing annual corporate tax returns.

Similarly, Ontario Limited Partnerships also enjoy a high degree of privacy. They need only disclose the general partners with their application and the register of limited partners remains private unless disclosure is requested by the Registrar in accordance with subsection 4(4) of the *Limited Partnership Act* (Ontario). Application information including the list of General Partners can only be obtained by carrying out a paid search of the Provincial database. Furthermore, for so long as there is no Canadian sourced income necessitating a Canadian tax filing, no disclosure to the Canada Revenue Agency is generally required.

Given Ontario's conduct to date, it appears that the Canadian limited partnership may continue to buck the international trend toward the invasion of privacy for some time to come. Next, we will review the tax treatment of Canadian limited partnerships.

4. Canadian Taxation of Limited Partnerships

In Canada, a partnership including a limited partnership is a disregarded flow-through entity for tax purposes. When a limited partnership has no Canadian sourced income and includes partners that are non-resident of Canada, no tax filings/returns are required. If a partnership has exclusively Canadian-resident partners or carries out business in Canada, it must file an information return for each fiscal period. Partnership income, however, keeps its character and is taxed in the hands of the individual partners, including non-resident partners not subject to taxation in Canada.

A. Computation of Income & Flow-Through Treatment

Section 96 of the *Income Tax Act* (Canada) deals with the taxation of partnerships. [12] Section 96(1) states that the partnership's total (worldwide) income is first computed under the *Income Tax Act* (Canada) as if the partnership were a separate person resident in Canada. Then, according to sections 96(1)(f)-(g), the partnership income will be considered to retain its identity and distributed partnership profit or loss will be taxed in the hands of the receiving partnership member in accordance with the *Income Tax Act* (Canada) and its Regulations. Put another way, section 96 states that partnership income is flowed through to recipient members and is not altered or taxed at the partnership level.

Because Canada taxes income based on residency (with separate provisions for Canadian sourced income earned by non-residents), non-resident partnership members can be exempt from Canadian taxation on non-Canadian sourced income. The Canada Revenue Agency in its interpretation bulletin of IT-81R of May 6, 1976 [13] states that a) pooling at the partnership level does not affect the rules governing the computation of the non-resident taxpayer's taxable income earned in Canada, b) *Income Tax Act* (Canada) section 115 applies when determining a non-resident's taxable income in Canada [14] and, c) if a source of income included in income at the partnership level is not taxable under section 115, it will not be taxable in Canada to the non-resident partner.

Consequently, only the non-resident's proportionate share of the income earned by the partnership in Canada, to the exclusion of income from outside of Canada, will be included in Canadian taxable income by the non-resident partner. Put another way, this means that a non-resident partner will pay Canadian tax only on his or her proportionate share of Canadian sourced income (elaborated in on section 115) under *Income Tax Act* (Canada) Part XIII (as discussed further below), subject to any provisions of an applicable international tax treaty.

Clearly, a unique feature of Canadian partnerships is their potential for use on a Canadian tax neutral basis by non-residents of Canada. In such a scenario, unlike with Canadian corporations, partnerships may additionally be exempt from filing annual tax returns.

B. Filing of Information Returns

Income Tax Regulations Section 229(1) [15] states that all partnerships that carry on business in Canada or are Canadian partnerships (i.e. consist entirely of individuals resident of Canada as defined in s.102(1)) within a given fiscal period must file an annual information return with the Canada Revenue Agency. The return includes:

- The partnership income in the fiscal period
- The name, address, business, or social security number of each partner
- The share of each partner in the partnership income or loss
- The share of each partner of each deduction, credit, or other amount
- Any other information required in the form

Notably, the requirement does not apply if the limited partnership does not carry-on business in Canada in a fiscal year and is not a "Canadian partnership" (with all members Canadian residents in a given fiscal period). Consequently, a partnership with non-Canadian resident partners not carrying on business in Canada has no Canadian reporting obligations.

For more information on this topic, the Canada Revenue Agency has published a comprehensive "Guide for the Partnership Information Return (T5013 Forms)" which can be found on its website [16].

C. Taxation of Canadian Sourced Income

Canadian Tax Residency

In assessing what if any taxes are payable in Canada at the partner level, one must first determine whether or not they are considered a resident. In Canada, residents are required to pay tax on their worldwide income, while non-residents are only required to pay (a different) tax on their Canadian-sourced income. The determination of residency for tax purposes can be complex and involves interpretation of common law (the past findings of judges in relevant court cases).

Broadly, however, an individual will be considered a tax resident of Canada if they have significant residential ties to Canada, which include having any one of:

- a home in Canada;
- a spouse or common-law partner in Canada;
- dependants in Canada.

Secondary residential ties can also, usually in combination, be considered enough to create residency and include but are not limited to:

- personal property in Canada, such as a car or furniture;
- social ties in Canada, such as memberships in Canadian recreational or religious organizations;
- economic ties in Canada, such as Canadian bank accounts or credit cards;
- a Canadian driver's licence;
- a Canadian passport;
- health insurance with a Canadian province or territory.

When not all residential ties have been severed but an individual is physically absent from Canada, the significance of remaining residential ties will be assessed in the context of:

- evidence of intention to permanently sever residential ties with Canada;
- regularity and length of visits to Canada; and,
- residential ties outside Canada.

Furthermore, anyone who does not otherwise qualify as a (factual) resident but spends a total of 183 days or more in any calendar year in Canada is a deemed tax resident and is taxed on their worldwide income for the entire calendar year.

Existing Canadian residents who seek to give up their tax residency must also file a final tax return indicating their emigration and pay any applicable departure tax in additional to severing residential ties. Failure to do so could be interpreted by the CRA as a lack of intention to permanently sever residential ties with Canada.

Generally, having no significant residential ties and minimizing secondary ties with Canada as much as possible is prudent for those not wishing to be tax residents of Canada. For current residents seeking to emigrate, this includes disposing of personal property in Canada, cancelling provincial health insurance and drivers' licenses, filing a final tax return, paying any applicable departure tax, not returning to Canada in the first year after departure and keeping subsequent returns to one or two visits a year of less than 6 weeks in total (and in all circumstances under 183 days per calendar year). Minimal secondary ties such as having a Canadian bank account with short infrequent visits will not on their own create tax residency.

Additionally, having significant and secondary ties in a different country such as obtaining legal residency, renting, or owning a home, residing with spouse or dependants, purchasing furniture, owning a car, obtaining a local driver's license, health insurance, etc. will further establish your non-resident status in Canada. Such ties to another country can be important even (and perhaps especially) for perpetual travellers (also referred to as 'digital nomads') and numerous countries allow legal residents to maintain their status with no or minimal physical presence requirements.

Because the definition of tax residency in Canada is based on common law there is some uncertainty and complexity on the topic. Though incomplete and not legally binding, the CRA publication Income 'Tax Folio S5-F1-C1, Determining an Individual's Residence Status' can be a useful starting point to learn more about the issue [17]. A thorough review of applicable caselaw at a law library or with a proprietary case law database gives a fuller understanding of the way Courts tend to decide but is beyond the scope of this paper.

Canadian Sourced Income

Residents and non-residents alike are required to pay Canadian income tax on Canadian-sourced income. Income is Canadian sourced either if the work is performed while the individual is physically present in Canada (referred to as Part I tax) [18] or if the income is from a person resident in Canada and in a form defined in *Income Tax Act* (Canada) Part XIII 'Tax on Income from Canada of Non-resident Persons' [20].

Part XIII tax is meant to ensure tax is collected on passive income paid from Canadian resident persons and Canadian situated assets. Notably, it excludes active income in the form of salary which is not taxed in Canada for non-residents. Included are management or administration fees, interest, estate or trust income, rents and royalties, pension benefits, retiring allowances, unemployment benefits, tax free savings plans and dividends, among others. Part XIII tax is assessed at the rate of 25% unless the amount is reduced by provisions of the *Income Tax Act* (Canada) or a bilateral tax treaty between Canada and another country. Part XIII taxes must be withheld by the payor and remitted to the government. In most cases, part XIII tax is non-refundable, and there is no obligation or benefit to filing a Canadian tax return. However, some exceptions apply such as for old age security payments.

International Tax Treaties

International Tax Treaties can modify Part XIII rates of taxation (such as with dividends from a corporation) and help determine in which country taxes are to be paid. Consequently, one should

always consider whether a tax treaty applies when considering the applicability of Part XIII taxes on a non-resident.

A bilateral tax treaty (or double taxation agreement) is an agreement between two countries to resolve issues involving double taxation of income of each of their respective citizens. They generally determine the amount of tax that a country can apply to a taxpayer's income, capital, estate, or wealth and prevent double taxation from both countries. As of the date of writing, Canada is party to 94 bilateral tax treaties [21]. With approximately 195 counties in the world, this means that many other countries do not have a tax treaty to prevent double taxation with Canada. Tax treaties tend to be written in a common format with minor adjustments made from country to country, which gives them a certain level of predictability.

By way of example, the 'Canada-Moldova Income Tax Convention' [22] in Article 7 states that

> **The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on or has carried on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.**

This means that business income will only be taxed by one of the two countries and will be allocated to the country where the enterprise is located unless there is a 'permanent establishment' in the other jurisdiction, in which case profits allocated to that jurisdiction will be taxed there. "Permanent establishment" is defined in Article 5 to "especially include" a place of management, branch, office, factory, workshop, mine, well or quarry. While it may be the case that Part XIII taxes will often also be taxed in Canada under an applicable tax treaty, none the less, the existence of an applicable tax treaty can act as a further shield against Canada Revenue Agency assertions that party has failed to cease being a Canadian tax resident – since the treaty will still apply, prevent double taxation, and allocate where tax is to be paid. Notably, tax neutral jurisdictions (or 'tax havens' as they are sometimes called) generally don't have tax treaties with Canada – though some lower tax jurisdictions like Moldova do.

5. Common Uses for Canadian Limited Partnerships

Limited partnerships are used far less frequently for business operations in Canada than corporations or even regular partnerships. There are certain business arrangements that frequently use a limited partnership structure, however. They are a) non-resident e-commerce or location independent businesses, b) non-resident investment and c) domestic income investment funds such as for the purchase and management of real estate.

A. Non-Resident E-Commerce & Location Independent Business

A Canadian limited partnership is an attractive business structure for e-commerce and location independent businesses operated by non-residents in developing countries, low tax jurisdictions and jurisdictions without bank and market access to the United States and developed world. It can allow for a business to operate with the benefits of a Canadian entity including access to banking, credit card and market-place access without Canadian taxation.

By way of example, a tax resident of Panama (a territorial tax jurisdiction that does not tax foreign sourced income) may wish to provide services online to customers in the United States. Unfortunately for the business owner, Panamanian bank regulations (some of which now exist in part due to FATF grey-listing and associated political pressure) can make accepting US payments directly impractical. Furthermore, the business is ineligible to open a US bank account without setting up a US entity such as a limited liability company (LLC), which would make them liable to US taxation on US sourced income. Instead, the business owner could set up a Canadian limited partnership, open a Canadian bank account (available in both Canadian and US dollar denominated accounts) and transact either directly or with the further aid of a virtual US account to conduct business. The limited partnership and its profits tax neutral since there is no Canadian or Panamanian sourced income and no US business presence. The partners can further limit their personal liability by being limited partners and using a (domestic or foreign) corporation as the general partner. Note, however, that a foreign corporation must first register as an extra-provincial corporation in the province of Canadian limited partnership registration prior to being listed as general partner for the limited partnership, which is an additional filing.

B. Non-Resident Investments

A Canadian limited partnership is also an attractive entity for making investments in the United States by non-residents of both the United States and Canada. The Canadian limited partnership can be used to open a trading account when the entity would not otherwise be eligible (subject to the rules of the applicable brokerage) to invest in US securities via an international brokerage account. Such securities can then be exempt from both US and Canadian taxation. This approach can also be used to aid in protecting privacy.

C. Income Investment Funds

Domestically in Canada, limited partnerships are also a popular vehicle for investment in income generating investments such as real estate. Frequently a real estate investment fund will be structured as a limited partnership with a corporation tasked with property management as the general partner. In this scenario, investors limit their liability to their investment while also avoiding double taxation first at the corporate level and then at the shareholder level as is the case if a corporation is used. Instead, all taxes are calculated and paid in the hands of the investors and not at the entity level.

6. Canadian Banking & Financial Services

A. Canadian Charted Banks

Canadian charted banks are commercial banks licensed by the Federal government to operate a commercial banking business in Canada including extending loans (such as mortgages) for personal, commercial, and other purposes. Chartered banks are regulated by the federal *Bank Act* [23] and supervised by the Office of the Superintendent of Financial Institutions. The five largest charted banks in Canada are Royal Bank of Canada (RBC), Toronto-Dominion Bank (TD), Bank of Nova Scotia (Scotiabank), Bank of Montreal (BMO) and Canadian Imperial Bank of Commerce (CIBC). Canadian banks have a good reputation for stability and security and most

accounts are insured by the government owned Canada Deposit Insurance Corporation [24] for up to $100,000 CAD of cash deposits in case of bank failure.

In contrast to many other nations, Canadian banks do not require Canadian residency or immigration status to open an account and have only nominal initial deposit requirements. Most banks will, however, require in person attendance to open an account when there is not an existing relationship. When opening an account, be sure to confirm that the bank has the necessary systems in place to carry out wire transfers and electronic fund transfers online without in-person attendance at the bank, if this feature is important to you.

B. Virtual Banks

A new and growing market segment for international business and transfers is virtual banking. These financial services companies provide account details to receive funds and facilitate the holding and transferring of currencies. Arguably the market leader, Wise.com has become popular offering rates that often beat the currency conversion fees of conventional banks. Payoneer, Monzo, and Revolut are other market participants. Such services can be effective for cross border transactions but can are often not regulated in the same matter as banks, do not have deposit insurance and are sometimes not permitted to be used with credit card processors.

The Canadian limited partnership coupled with a Canadian bank account and virtual bank account for international transfers can be a powerful combination for cross border businesses that seek to participate in with world's biggest markets while minimizing tax obligations.

7. References

[1] *Partnership Act 1890* (United Kingdom) <https://www.legislation.gov.uk/ukpga/Vict/53-54/39>.

[2] *Constitution Act, 1867* (Canada) <https://www.canlii.org/en/ca/laws/stat/30---31-vict-c-3/latest/30---31-vict-c-3.html>.

[3] *Partnerships Act, RSO 1990, c P.5* <https://www.canlii.org/en/on/laws/stat/rso-1990-c-p5/latest/>.

[4] *Limited Partnerships Act, RSO 1990, c L.16* <https://www.canlii.org/en/on/laws/stat/rso-1990-c-l16/latest/rso-1990-c-l16.html>.

[5] For an informative review of case law see: Canada Revenue Agency. "Income Tax Folio S4-F16-C1, What is a Partnership?" <https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index/series-4-businesses/series-4-businesses-folio-16-partnerships/income-tax-folio-s4-f16-c1-what-a-partnership.html>.

[6] *Backman v. Canada, 2001 SCC 10 (CanLII), [2001] 1 SCR 367.* <https://www.canlii.org/en/ca/scc/doc/2001/2001scc10/2001scc10.html>.

[7] *Business Corporations Act, RSO 1990, c B. 16* <https://www.canlii.org/en/on/laws/stat/rso-1990-c-b16/latest>.

[8] *Kucor Construction & Developments & Associates v. Canada Life Assurance Co., 1998 CanLII 4236 (ON CA)* <https://www.canlii.org/en/on/onca/doc/1998/1998canlii4236/1998canlii4236.html>.

[9] Financial Action Task Force. <https://www.fatf-gafi.org>.

[10] Financial Action Task Force. "The FATF Recommendations" <https://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf>.

[11] Canada Revenue Agency. "Income Tax Folio S4-F16-C1, What is a Partnership?" <https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index/series-4-businesses/series-4-businesses-folio-16-partnerships/income-tax-folio-s4-f16-c1-what-a-partnership.html>.

[12] *Income Tax Act (Canada)*, Section 96. < https://laws-lois.justice.gc.ca/eng/acts/i-3.3/page-70.html >.

[13] Canada Revenue Agency. "IT-81R "Partnerships - Income of non-resident partners" May 6, 1976. <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/it81r/archived-partnerships-income-non-resident-partners.html>.

[14] *Income Tax Act (Canada)*, Section 115 Non-resident's taxable income in Canada. <https://www.laws-lois.justice.gc.ca/eng/acts/I-3.3/section-115.html>.

[15] *Income Tax Regulations*, Section 229(1) <https://laws-lois.justice.gc.ca/eng/regulations/C.R.C.%2C_c._945/page-7.html#h-584332>.

[16] Canada Revenue Agency. "Guide for the Partnership Information Return (T5013 Forms)" <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4068/guide-partnership-information-return-t5013-forms.html>.

[17] Canada Revenue Agency. "Income Tax Folio S5-F1-C1, Determining an Individual's Residence Status" <https://www.canada.ca/en/revenue-agency/services/tax/technical-information/income-tax/income-tax-folios-index/series-5-international-residency/folio-1-residency/income-tax-folio-s5-f1-c1-determining-individual-s-residence-status.html>.

[18] For more information see: Canada Revenue Agency. "Rendering services in Canada" <https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/information-been-moved/rendering-services-canada.html>.

[19] For more information see: Canada Revenue Agency. "Part XIII withholding tax" <https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/payments-non-residents/nr4-part-xiii-tax/part-xiii-withholding-tax.html>.

[20] *Income Tax Act (Canada)* "Part XIII Tax on Income from Canada of Non-resident Persons' <https://laws-lois.justice.gc.ca/eng/acts/i-3.3/page-183.html#h-314143>.

[21] Government of Canada. "Tax Treaties" <https://www.canada.ca/en/department-finance/programs/tax-policy/tax-treaties.html>.

[22] Government of Canada. "Canada-Moldova Income Tax Convention" < https://www.canada.ca/en/department-finance/programs/tax-policy/tax-treaties/country/moldova-convention-2002.html>.

[23] *Bank Act, SC 1991, c 46* <https://www.canlii.org/en/ca/laws/stat/sc-1991-c-46/latest/sc-1991-c-46.html>.

[24] Canadian Deposit Insurance Corporation "Your Coverage" <https://www.cdic.ca/your-coverage/>.