

the United States, where the maximum tax rate in 2003 was 49 percent. For more information, contact the Internal Revenue Service of the U.S. Department of the Treasury. If you are going to become a resident of a country with an estate tax and you have substantial assets, you should consult a tax advisor in that country. You may need to draw up a new will or make other arrangements.

Health Care Issues

Canadian Provincial Health Care Programs

Canadian provincial health care programs provide limited coverage during temporary periods of absence from Canada. Typically, the coverage extends for three months. The level of benefits, however, may be inadequate to cover costs in some locations, especially the United States. The reason for this is that the payments allowed for out-of-country treatment are comparable to the fees paid by the provincial plans to health care providers in Canada. These fees reflect the resources of Canada's public health care system. In some cases, a foreign hospital may charge several times more than your provincial program will allow. It is therefore essential that you arrange for private health care insurance for when you are resident abroad.

Arrange Health Care Coverage

What will you do if you have an accident or become ill? Are you prepared for emergency repatriation? Have you checked the provisions of your provincial health care plan?

Provincial health care programs terminate eligibility after periods of prolonged absence from Canada, typically six months. In most cases, you must be physically present in your Canadian province of residence for 183 days of each calendar year to maintain your health care coverage. The rationale for this requirement is that, when you are out of the country, you are not paying provincial sales tax or the Goods and Services Tax, both of which help to pay for medical care.

If you lose your provincial health care coverage, there may be a waiting period before it is reinstated when you return to Canada following an extended stay abroad. Certain insurance plans for Canadians travelling abroad automatically include coverage for this waiting period. If your "out of Canada" plan does not include this coverage, there are plans available for visitors to Canada that may be purchased to provide coverage during the waiting