

may be regarded as a citizen of the other country. In some cases, the laws of your country of origin may provide for the revocation of your citizenship if you become a citizen of Canada, but this is not necessarily automatic. You may have to take overt action, such as living on a permanent basis in Canada, consistently using a Canadian passport and obtaining a visa when you travel to your country of origin. In some countries, you can formally renounce citizenship.

Canadian law permits a Canadian to have more than one nationality. It is the policy of the Canadian government to encourage Canadians to use their Canadian passport when travelling abroad and always to present themselves as Canadian to foreign authorities. Canadian consular officials abroad will offer consular assistance to Canadian citizens wherever they can. However, their right to do so may not be recognized by local authorities in the case of Canadians who have not specified their Canadian citizenship when entering the country and in dealing with local authorities.

Taxation Issues

Severing Canadian Residency

You cannot terminate your Canadian citizenship or residency simply by living in another country. To terminate your residency, you have to leave Canada on a permanent basis, sever your residential ties with Canada and establish residential ties in the country you are moving to. The Canada Customs and Revenue Agency determines non-resident status on a case-by-case basis, so consult a tax advisor about the necessary steps you should take. Retaining Canadian residency does not necessarily put you at a disadvantage. Depending on your situation, your actual tax liability could be lower than the non-resident withholding taxes imposed on your Canadian pensions and investment income.

If you have lived outside Canada for two years or more and severed your residential ties with Canada, you will be considered a non-resident of Canada for taxation purposes. Residential ties are the connections that you may have with Canada while you are living abroad. Examples of these are: