



THE INVESTMENT FUNDS INSTITUTE OF CANADA  
L'INSTITUT DES FONDS D'INVESTISSEMENT DU CANADA

Sent by fax (613) 995-5176

November 5, 2009

Mr. Brian Ernewein  
General Director  
Tax Policy Branch  
Finance Canada  
140 O'Connor Street  
Ottawa, Ontario  
K1A 0G5

Dear Mr. Ernewein,

Re: Alternate Minimum Tax ("AMT") and Unit Trusts

This is a follow-up letter to our submission dated September 18, 2008, a copy of which is attached. On May 8, 2008, several members of our organization met with you to discuss this issue and based on that discussion we made a submission dated September 18, 2008.

Unit trusts are subject to AMT, despite the fact that they are "flow-through" vehicles required to distribute to their unitholders in each taxation year sufficient net income and net realized capital gains so that they will not be liable for income tax under Division E of Part I of the *Income Tax Act*. Our proposal addresses your concerns expressed at the May 8 meeting. We believe that it will provide the relief we were seeking while preventing abuse from occurring.

Our purpose for writing today is to remind you that a year has passed and this technical issue is still important to IFIC. We will contact you during the next few weeks to arrange a meeting to discuss this matter further.

Yours truly,

A handwritten signature in blue ink, appearing to read "Joanne DeLaurentiis", is written over a faint, larger version of the same signature.

Joanne DeLaurentiis  
President and Chief Executive Officer

Cc: Mr. Gérard Lalonde, Tax Policy Branch, Department of Finance