

What snowbirds should know

Snowbirds need to know the rules of their roost.

Every winter, tens of thousands of Canadians flock south to set up seasonal residence in the United States. Too often, they overlook some important considerations, says the Canadian Snowbird Association.



1. How long may one stay?

Most Canadian citizens are welcome to visit the U.S. for up to six months (182 days) in a 12-month period. The number of allowable days doesn't necessarily reset on January 1 just because the calendar year changed. The time is based on an individual's travel dates, and can continue from one calendar year to the next. Every day spent in the U.S. through the year – from shopping trips to travelling between destinations – counts. Owning as opposed to renting a vacation home doesn't increase the maximum number of days a Canadian may stay each year in the U.S.

2. What travel documents are required for a long-term stay?

The Canadian Snowbird Association says people need to prove to border officials that they have the means to support themselves during their stay. That means carrying a recent Canadian investment account or bank statement, a Canadian tax return assessment notice, and Canadian credit card statements. To prove to border officials that you're planning to return to Canada, bring a Canadian house deed or lease agreement, Canadian property tax or rental receipts, a pre-booked return ticket (if travelling by air), and a U.S. Internal Revenue Service form 8840 (for non-resident aliens).

3. How much medical coverage is sufficient?

Canada's government health plans provide minimal coverage for those sick or injured when travelling abroad. When considering what travel medical insurance to purchase before leaving home, pay attention to any limitations or exclusions for pre-existing medical conditions. Tell your insurance company if your health, medication, or dosage changes before travelling to ensure your coverage remains valid, the snowbird association advises. Some carriers may let you to buy additional coverage or a special endorsement for conditions that would otherwise be excluded.

4. Is work permitted during an extended stay?

Entering the U.S. as a tourist-class visitor without a proper U.S. work permit doesn't allow for any form of paid work. That includes receiving cash or reduced or free rent/maintenance fees in a condominium or mobile home community in exchange for clerical, grounds or handyman duties.

5. What about U.S. income taxes?

Canadian residents who spend part of the year in the U.S. are considered either a resident alien (183 days or more in the U.S.) or a non-resident alien (182 days or less). Resident aliens are generally taxed in the U.S. on income from all sources worldwide; non-resident aliens are taxed only on income from U.S. sources. That includes rental income, the sale or exchange of U.S. real estate, interest, dividends, and annuities. Check with the U.S. Internal Revenue Service about completing and filing U.S. IRS form 8840, *Closer Connection Exemption Statement for Aliens*. A useful resource is the Canada Revenue Agency's guide on *Canadian Residents Going Down South* (www.cra-arc.gc.ca/E/pub/tg/p151/).

6. Should vehicle insurance be changed?

Some companies may require formal notification, or payment of a supplementary premium, from those who drive a Canadian-registered vehicle down south in the fall or winter. The snowbird association suggests checking your liability limit, and ensuring a minimum of \$2-million of coverage.

7. Can a Canadian car be left in the U.S.?

You can use your vehicle in the U.S. for up to one year with Canadian licence plates and a Canadian driver's licence. To leave a Canadian-registered vehicle in the U.S. beyond one year, you'll need proper U.S. vehicle registration. Canadian automobile insurance is not applicable on a vehicle left in the U.S. on an ongoing basis, so you'll need separate coverage from a U.S.-based insurance broker