Key Concepts:

TFSA's & RRSP's

THRIVE WEALTH MANAGEMENT

	TFSA	RRSP
Contribution room	$6,000 – 2019 limit (Plus any available accumulated contribution room since 2009)	18% of prior years income (minus any pension adjustment) to a maximum of $26,230 (2018) plus any unused contribution room
Carry-forward of unused contribution room	Indefinite	Until the year the contributor or eligible spouse turns 71
Annual contribution deadline	December 31	60 days after the end of the taxation year.
Plan opening age requirement	Age of Majority in province/ territory – no maximum age	Any age until the end of the calendar year in which the contributor turns 71
Tax-deductible contributions	No	Yes – reduces taxable income
Tax on income / capital gains	No	Tax deferred until withdrawn
Tax on withdrawals	No	Taxable income in the year withdrawn
Plan conversion age requirement	No	Yes – by the end of the year the plan holder turns 71
Over-contribution penalty	Yes – excess subject to 1% penalty per month	Yes – excess subject to 1% penalty per month if exceeds more than $2000
Contribution by spouse	Yes	Yes

Did You Know?

- Withdrawals from a TFSA may be re-contributed in the same year it was withdrawn provided there is sufficient contribution room. In the event there is not sufficient contribution room, to prevent an over-contribution, the re-contribution should be delayed until the following year when the contribution room has been increased.
- Individuals who have RRSP deduction room available after the age of 71 can contribute to a spousal RRSP until the end of the year in which their spouse or common law partner turns 71.

*Maximum contribution limit $5,000 for 2009-2012, $5,500 for 2013 & 2014, $10,000 for 2015, $5,500 after 2016 -2018, $6,000 for 2019. **Applicable to Canadian Resident Individuals over 18. Subject to CRA rules and conditions. The information contained in this document was obtained from sources believed to be reliable; however, we cannot guarantee that it is accurate or complete. This document is provided as a general source of information and should not be considered personal advice. Please speak to your personal financial representative before making any financial planning decision or implementing any strategy.

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