RRSP & TFSA

Registered Retirement Savings Plan

Tax-Free Savings Account

Often, saving for the future involves using both RRSPs and TFSAs.

INVESTING

ANNUAL CONTRIBUTION LIMITS

$5,500 TFSA

RRSP 2017* $26,010

RRSP 2018* $26,230

ELIGIBILITY AGE TO START CONTRIBUTIONS

n/a — RRSP to age 71

18 — TFSA Age 18

Cash, GICs Term Deposits

Bonds, Stocks and Equities

Mutual Funds

ELIGIBLE INVESTMENTS **RRSP & TFSA**

TAX

RRSP benefits from **tax-deferred** growth

TFSA benefits from **tax-free** growth

TAX-DEDUCTIBLE CONTRIBUTIONS

√ RRSP Contributions are tax-deductible[1]

X TFSA Contributions are NOT tax-deductible

RRSP WITHDRAWING FUNDS TFSA

Withdrawals are taxed as income

RRSP investments grow tax-deferred. Tax is paid when the funds are withdrawn.

No tax on withdrawals

TFSAs are purchased with after-tax dollars so no tax is paid when the funds are withdrawn.

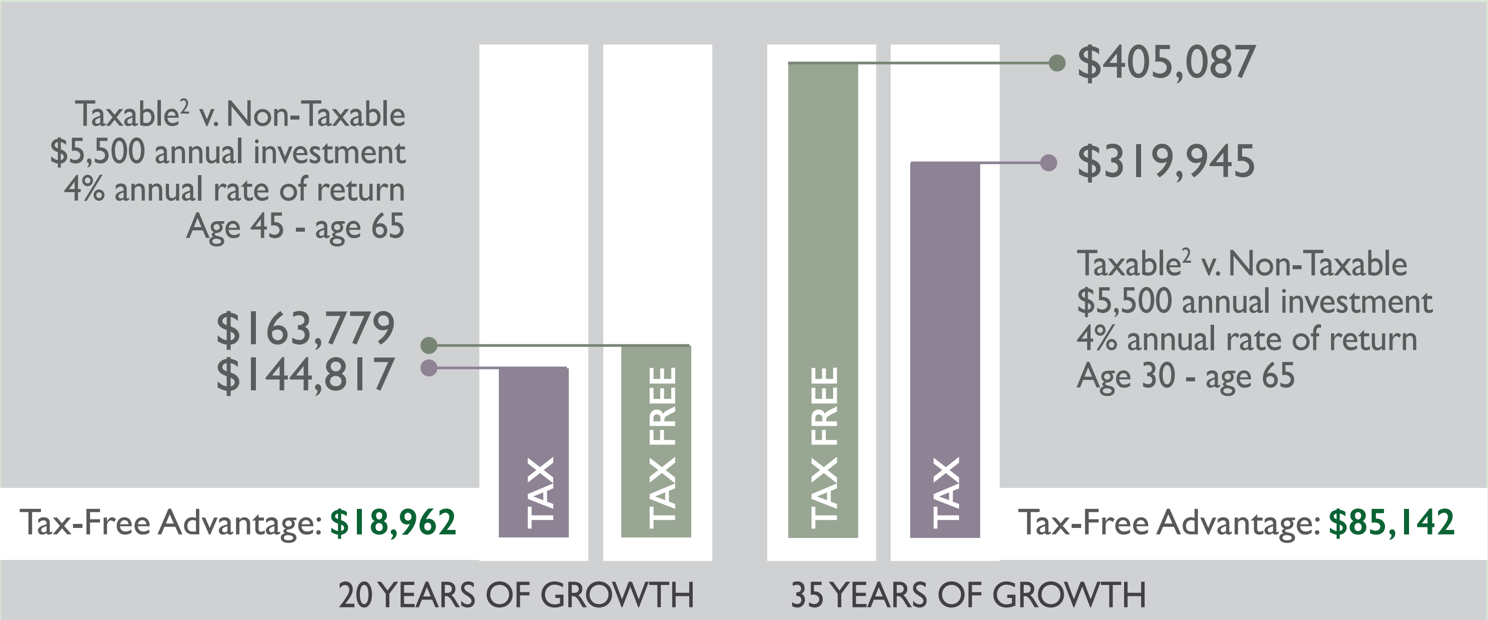
Age when you must convert your RRSP to a RRIF. You must start to withdraw in the year you turn 72.

AGE 71

n/a

There is no age limit when you must start withdrawing funds from a TFSA.

THE BENEFITS OF TAX-FREE INVESTING



[2] Assumes a 30% marginal tax rate. Annual investments made at end of year.

Saving for your future can be a lengthy process. Both RRSPs and TFSAs offer tax advantages and can help you save for your long term and short term financial goals.

Contact me today to discuss the right saving strategy for you.

Investment Planning Counsel®

FINANCIAL SOLUTIONS FOR LIFE

Source: Canada Revenue Agency: http://www.cra-arc.gc.ca/tx/rgstrd/papspapar-fefespfer/lmts-eng.html
This is a general guide only and not intended to replace professional financial and tax advice in any form. Please consult your financial advisor on how it relates to your situation. [1] Your RRSP contribution lowers your taxable income, so you're reducing the amount of tax you have to pay.
*The RRSP contribution limit varies by individual. Speak with your financial advisor about maximizing your contribution.