

Canadians have access to a plethora of tax-preferred vehicles for saving and investing, each of which provides unique planning opportunities and trade-offs, as well as their own rules and conditions that must be followed. With so many options, determining the best use for each type of account as part of a comprehensive wealth plan can be challenging. The table below summarizes the key features of the most common registered plans and links to articles with more detailed information.

Your Wellington-Altus advisor can help you evaluate the various registered plans and find the optimal mix of investment options for you and your family.

Account name	Contributions generate a tax deduction?	Annual or lifetime contribution limits	Income and/or gains sheltered from tax?	Government contributions (grants or bonds) available?	Account withdrawals taxable?	Withdrawals required?	Other features
GENERAL SAVINGS							
TFSA	No	Annual: \$7,000 for 2024. Lifetime: For 2024, \$95,000 plus previous years' withdrawals, less previous years' contributions.	Yes	No	No	No	Not generally appropriate for U.S. persons.
SAVINGS FOR RETIREMENT							
RRSP	Yes	Annual: 18% of earned income to an annual maximum (\$31,560 for 2024). Lifetime: Aggregate of unused annual limits.	Yes	No	Yes, unless relating to HBP or LLP, of which withdrawals must be repaid.	No	Must be converted to RRIF, annuity (as matured RRSP) or taken as a lump-sum taxable withdrawal by Dec. 31 of year annuitant turns 71.
RRIF	N/A	N/A	Yes	No	Yes	Yes, see tables	Created on conversion from an RRSP.
SAVINGS FOR POST-SECONDARY EDUCATION							
RESP	No	Annual: None ¹ Lifetime: \$50,000	Yes	Yes: • CESG • CLB • Applicable provincial/territorial supports	No for capital contributions, yes for everything else.	No	Must be closed by the end of the 35th year after the RESP was opened. Not generally appropriate for U.S. persons.
SAVINGS TO SUPPORT AN INDIVIDUAL WITH A DISABILITY							
RDSP	No	Annual: None ² Lifetime: \$200,000	Yes	Yes: • CDSG • CDSB (income tested)	No for capital contributions, yes for everything else.	Yes, withdrawals must begin by December 31st of the year the beneficiary turns 60.	RRSPs, RRIFs and RESPs can be rolled into an RDSP on a tax-deferred basis if certain conditions are met. Not generally appropriate for U.S. persons.

¹ An annual contribution of \$2,500 is required to receive the maximum annual CESG entitlement (20% awarded on RESP contributions up to an annual limit of \$500 per beneficiary).

² An annual contribution of \$1,000 or \$1,500 may be required to obtain the maximum annual CDSG entitlement, depending on income level.

Making the Most of Canadian Registered Accounts: A Quick Reference Guide

Account name	Contributions generate a tax deduction?	Annual or lifetime contribution limits	Income and/or gains sheltered from tax?	Government contributions (grants or bonds) available?	Account withdrawals taxable?	Withdrawals required?	Other features
SAVINGS FOR THE PURCHASE OF A QUALIFYING HOME							
FHSA	Yes	Annual: \$8,000 Lifetime: \$40,000	Yes	No	No, if used for the purchase of a qualifying home, yes otherwise.	None	Must be closed by the end of: <ul style="list-style-type: none"> • 15th year from opening, • holder's 71st birthday year, and • the year following the year of the home purchase, whichever is earliest. Not generally appropriate for U.S. persons.

GLOSSARY

CDSB

Canada Disability Savings Bond

CDSG

Canada Disability Savings Grant

CESG

Canada Education Savings Grant

CLB

Canada Learning Bond

FHSA

First Home Savings Account

HBP

Home Buyers' Plan

LLP

Lifelong Learning Plan

RDSP

Registered Disability Savings Plan

RESP

Registered Education Savings Plan

RRIF

Registered Retirement Income Fund

RRSP

Registered Retirement Savings Plan

TFSA

Tax-Free Savings Account