






# TAX FREE SAVING FOR YOUR FINANCIAL GOALS

Often saving for the future involves both RRSPs and TFSAs.

INVESTING		RRSP Registered retirement savings plan	TFSA Tax free savings account
Annual contribution limits	2022	\$29,210	\$6,000
	2023	\$30,780	\$6,500
Eligibility age to start contributions		N/A to age 71	18 years old
Tax deductible contributions		 TAX DEDUCTIBLE	 NOT TAX DEDUCTIBLE
Eligible investments		 Cash and Term Deposits	 Bonds, Stocks and Equities  Mutual Funds
WITHDRAWING FUNDS			
Age limit for withdrawal	WITHDRAW BY AGE 71 <ul style="list-style-type: none"> <li>– You must convert your RRSP to a RRIF by age 71.</li> <li>– You must start to withdraw in the year you turn 72.</li> </ul>		NO AGE LIMIT <ul style="list-style-type: none"> <li>– There is no age limit for when you must start withdrawing funds from a TFSA.</li> </ul>
	Taxing as income	WITHDRAWALS ARE TAXED AS INCOME <ul style="list-style-type: none"> <li>– RRSPs investments grow tax-deferred.</li> <li>– Tax is paid when the funds are withdrawn.</li> <li>– Benefits from <b>tax-deferred</b> growth.</li> </ul>	NO TAX ON WITHDRAWALS <ul style="list-style-type: none"> <li>– TFSAs are purchased with after-tax dollars so no tax is paid when the funds are withdrawn.</li> <li>– Benefits from <b>tax-free</b> growth.</li> </ul>

Both RRSPs and TFSAs offer tax advantages to save for both long and short-term goals.



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