

## SAVING STRATEGY FOR YOUR FIRST HOME

# First Home Savings Account

Annual tax-deductible contribution limit

\$8,000



Can carry-forward unused amounts to a subsequent year.

Save up to a maximum down payment

\$40,000



Withdrawals used to purchase a first home are non-taxable.

First Home Savings Account can be used together with the Home Buyers' Plan

\$40k + \$35k\*



Combine the two savings plans to purchase the same qualifying home.

\*Current Home Buyers' Plan maximum

## Eligibility

Certain conditions must be met in order to be eligible to participate in the First Home Savings Account

### First Time Buyer



You did not occupy a home that you owned, in the last 4 years.

### Resident of Canada



You must be a resident of Canada and at least 18 years of age.

### Agreement



You must have a written agreement to buy or build a qualifying home before Oct 1 of the year following the year of withdrawal.

### Primary Resident



You must be the primary resident of the home within one year after buying or building it.

### Location



A qualifying home would be a housing unit located in Canada.

## Qualifying Investments



Savings Account



Mutual Funds



Stocks



Bonds



GICs



ETFs



Segregated Funds

## First Home Savings Account Considerations



### Timeline of Account

The account can remain open for up to 15 years, until you turn 71.



### Excess Contributions

A penalty of 1% per month applies to over-contributions.



### Transfers

You can transfer funds from an FHSA to another FHSA, an RRSP or a RRIF on a tax-free basis.



### Non-Qualifying Withdrawals

Withdrawals that are not qualifying will be included in your income and taxed as such.

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