

TAX FREE SAVING FOR YOUR FINANCIAL GOALS

# RRSPs & TFSAs

Often saving for the future involves using both RRSPs and TFSAs

Registered Retirement Savings Plan		Tax Free Savings Account		
\$30,780 2023	\$31,560 2024	Annual Contribution Limits	\$7,000 2024	\$6,500 2023



RRSP contributions are tax deductible

You can set up and contribute to an RRSP up to the end of the year you turn 71



You must be age 18 to start contributing to a TFSA

TFSA contributions are NOT tax deductible



## Eligible Investments for RRSPs & TFSAs



Cash & Term Deposits



Mutual Funds



Stocks & Equities



Bonds



ETFs

## Withdrawing Funds

### RRSP



Withdraw by age 71

You must convert your RRSP to a RRIF by age 71.

You must start to withdraw in the year you turn 72.



Withdrawals are taxed as income

RRSPs investments grow tax-deferred.

Tax is paid when the funds are withdrawn.

RRSPs benefit from **tax-deferred** growth.



No tax on withdrawals

TFSAs are purchased with after-tax dollars so no tax is paid when the funds are withdrawn.

TFSAs benefit from **tax-free** growth

### TFSA



No age limit

There is no age limit when you must start withdrawing funds from a Tax Free Savings Account.

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

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