

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 + \$60k*



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

*April 2024 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 must 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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