

Choosing the Right Combination of Savings Options for You

TFSA, RRSP, Non-Registered, RESP - The Basics

The following table illustrates some of the similarities and differences among various savings options available to you. The information in the chart is both limited and basic and was developed to provide a brief overview. Consult with us to help you make the most informed decisions about your plan.

Similarities and differences

	TFSA	RRSP	Non-registered	RESP
Age limits	18+	0-71 (but must have earned income)	None	CESG is only available for children up to age 17 ¹
Contribution limits (annual)	\$6,000 plus unused contribution room from previous years	Lesser of 18% of earned income or \$26,500 (2019) plus unused contribution room from previous years	None	No annual limit. Lifetime limit of \$50,000 per beneficiary ²
Tax-deductible contributions	No	Yes	No	No
Tax payable on investment growth inside the plan	No	No	Yes	No
Taxable withdrawals	No	Yes	On capital gain.	Yes at child's rate (grant amount and investments earnings are taxable on withdrawal. Contributions to the plan are not)
Re-deposit withdrawals (in addition to annual contribution)	Yes (in the next calendar year)	No	Yes	No
Government grant	No	No	No	Yes - CESG, Canada learning Bond (CLB). Some provinces have programs that also provide educational assistance payments.
Unique benefit	Tax-free growth	Tax-deductible contributions, tax deferral	Flexibility	Up to \$7,200 CESG per beneficiary, tax sheltered growth
Claim capital losses	No	No	Yes	No

Note: There may be negative tax implications for exceeding the allowable annual contribution amount or for unqualified contributions. Please speak to us for more information.

¹ Restrictions apply to the Canada Education Savings Grant ("CESG") dependent on satisfaction of minimum contribution requirements and disability tax credit qualifications. Contributions can be made to an RESP until 31 years after it was first opened.

² Rules apply to maximize the full CESG benefit on contributions.