

# BMO Guardian Registered Disability Savings Plan

*The Registered Disability Savings Plan (RDSP) is designed to enhance the long-term financial security of people with disabilities, and to provide “peace of mind” to parents and other contributors that a plan is in place.*

## Features:

- Similar to other registered plan types, most investment offerings are available in an RDSP.
- Anyone can make a contribution to an RDSP, provided that the contributor has written consent from the plan holder.

## Contributions

- Contributions are limited to a lifetime maximum of \$200,000 per beneficiary with no annual limit. Only one beneficiary per RDSP is allowed.
- Contributions can be made until:
  - › the year in which the beneficiary reaches age 59,
  - › the date on which plan contributions reach the lifetime maximum of \$200,000,
  - › the beneficiary no longer qualifies for the Disability Tax Credit, or
  - › the beneficiary is no longer a resident of Canada for tax purposes.
- Contributions to an RDSP are not tax-deductible; however, investment earnings that accrue within the plan grow on a tax-deferred basis. When earnings are withdrawn as part of a disability assistance payment, they are taxable in the hands of the beneficiary.
- Contributions to an RDSP may qualify for payments from the **Canada Disability Savings Grant (CDSG)\*** program, up to a lifetime maximum of \$70,000 per beneficiary.



- Lower-income families may qualify for payments from the **Canada Disability Savings Bond (CDSB)\*** program without having to make a contribution to an RDSP, up to a lifetime maximum of \$20,000.

## Eligibility For An RDSP:

### Beneficiary

Any Canadian resident under the age of 60 and eligible for the federal Disability Tax Credit.

### Account holder

The legal parent or guardian of the beneficiary, or a public agency or organization can establish a plan. In cases where the beneficiary is of the age of majority, the beneficiary can also be named the account holder.

## We Can Help.

*To learn more about the BMO Guardian RDSP, please speak with your financial advisor.*

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\* Eligibility ends December 31 the year the beneficiary turns 49. Both the Canada Disability Savings Grant and the Canada Disability Savings Bond are contributed by the Government of Canada and paid directly to the plan on behalf of the plan beneficiary.