Contribution Reminder for Your
BMO Nesbitt Burns RRSP / TFSA / RESP

It’s important to start the year out right. That’s why I wanted to remind you of how important it is to maximize the value of your registered/tax-sheltered savings accounts; namely, your Registered Retirement Savings Plan (RRSP), Tax-Free Savings Account (TFSA) and Registered Education Savings Plan (RESP), by making your annual contributions in a timely manner. These plans represent highly effective ways for you to save for retirement, your children’s education and other long-term goals, while providing significant tax-saving opportunities. I’ve included some important details below for each.

**RRSP contribution details**

- **The deadline** for making your 2015 RRSP contribution is **February 29, 2016**.
- **Your 2015 RRSP contribution limit** is based on any unused contribution room carried forward from 2014, plus your 2015 contribution amount (the lesser of $24,930 or 18% of your 2014 earned income less any applicable pension adjustments).
- If you’ve already made your 2015 RRSP contribution, consider making your **2016 RRSP contribution** now to benefit from the tax-deferred growth of an RRSP. The maximum **RRSP contribution limit for 2016 is $25,370**, again, less any pension adjustments.

**TFSA contribution details**

- **The annual TFSA contribution limit** for 2016 is **$5,500**. While the 2015 TFSA contribution limit was increased to $10,000 (from $5,500), in the April 2015 Federal Budget, the Liberal government subsequently announced it would revert back to $5,500, beginning January 1, 2016.
- It’s important to note that even if you did not take advantage of the $10,000 contribution limit in 2015, it will carry forward as part of your lifetime TFSA contribution limit for use in future years.

**RESP contribution details**

- **You may contribute** a lifetime maximum of $50,000 per beneficiary.
- **There is no minimum annual contribution limit** that you must make. The number of years over which contributions can be made to an RESP is 31 years.
- The federal government’s **Canada Education Savings Grant (CESG)** helps ensure students have enough money to fund their higher education. The grant pays 20 per cent of annual contributions per beneficiary to an RESP, up to a maximum of $500 per beneficiary. The maximum lifetime CESG is $7,200 per beneficiary.

If you haven’t yet made your 2015 and/or 2016 contributions, please call the office for more information or to discuss making these contributions.