

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

Saving for your financial goals takes commitment, so it's important to maximize the value of your registered/tax-sheltered 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 are highly effective ways for you to save for retirement, your children's (or grandchildren's) education and other long-term goals, while providing significant tax-saving opportunities.

RRSP contribution details

- **The deadline for making your 2018 RRSP contribution is March 1, 2019.**
- Your 2018 RRSP contribution limit is based on any unused contribution room carried forward from 2017, plus your 2018 contribution amount (the lesser of \$26,230, or 18% of your 2017 earned income less any applicable pension adjustments).

TFSA contribution details

- **The 2018 TFSA contribution limit is \$5,500.**
- Unused contribution room – dating back to 2009 when TFSAs were first introduced – carries forward and can be used in any future year. If you're planning to make a TFSA withdrawal in the near future, consider doing so by **December 31, 2018**. This way, the amount withdrawn will be added back to your TFSA contribution limit on January 1, 2019 (rather than in 2020).
- You can gift funds to your spouse/common law partner (spouse/partner), or adult child to allow them to contribute to their own TFSA (subject to their personal TFSA contribution limit). Income earned within a spouse's/partner's or adult child's TFSA will not be attributed back to you.

RESP contribution details

- There is no annual contribution that you must make. However, there is a **maximum lifetime contribution limit of \$50,000 per beneficiary**. 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.

Please contact the office for more information, or to make arrangements for a contribution.



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