RRSP, TFSA & FHSA QUICK FACTS

FirstOntario INVESTMENTS

Three amazing savings options

Registered Retirement Savings Plan (RRSP)

Lets you save money for your retirement while lowering your income tax. Contributions are deducted from your annual income to reduce the amount of income tax you must pay each year. Tax is deferred until funds are withdrawn.

Tax-free Savings Account (TFSA)

This flexible, general-purpose savings vehicle allows Canadians to earn tax-free investment income. Any amount contributed, as well as any income earned in the account (for example, interest, dividends and capital gains) is generally tax-free, even when it is withdrawn. Contributions to the plan are not tax-deductible.

First Home Savings Account (FHSA)

This tax-advantaged account allows first-time home buyers† the ability to make up to $40,000 in tax-deductible contributions towards their first home and make tax-free withdrawals towards a qualifying purchase. An FHSA can also be used in combination with the Home Buyers' Plan (HBP).

Investment options

There are a range of options including mutual funds*, stocks*, bonds*, ETFs* and GICs.

Maximum annual contribution limit

- **RRSP:** **2023**: $30,780 | **2024**: $31,560
- **TFSA:** **2023**: $6,500 | **2024**: $7,000
- **FHSA:** **2024**: $8,000

Contribution room

RRSP

Your allowable contribution for the year is the lower of 18% of the earned income reported on your tax return for the previous year or the maximum annual contribution limit set by CRA for the year,

- **Minus** any employer-sponsored pension plan contribution
- **Plus** any unused contribution room.

This information can be found on your most recent *Notice of Assessment.*

TFSA

Canadian residents who are 18 years of age or older accumulated contribution room since 2009 and this can be carried forward indefinitely. You can also re-contribute any withdrawals made in previous years.

If you have never contributed to a TFSA, and you were at least 18 years old in 2009, then as of 2024 you would have accumulated $95,000 of contribution room.

FHSA

Qualifying individuals can contribute $8,000 per year (by December 31st) to their FHSA. Unused contributions, up to $8,000, can be carried forward to future tax years subject to a maximum lifetime limit of $40,000.

Unlike an RRSP or TFSA, carry forward room starts to accumulate after the FHSA is opened.

Eligibility age

RRSP

You can start contributing at any time and at any age, as long as you have earned income. The year you turn 71 is the last year in which you can make a contribution to your RRSP.

TFSA

You can start contributing at 18 years of age and you can withdraw funds anytime.

FHSA

You can start contributing to an FHSA if you are a first-time home buyer† between the ages of 18 and 71.

TFSA CARRY FORWARD

Years	TFSA Annual Limit (per year)	Cumulative Total
2009 - 2012	$5,000	$20,000
2013 - 2014	$5,500	$31,000
2015	$10,000	$41,000
2016 - 2018	$5,500	$57,500
2019 - 2022	$6,000	$81,500
2023	$6,50	$88,000
2024	$7,000	$95,000

Let us help you come up with a strategy

Our wealth advisors can help you make the right investment decisions when it comes to registered products. Call us today at 1-800-616-8878 ext. 1700.

Confirm your contribution room by logging in to your Canada Revenue Agency (CRA) My Account or calling CRA at 1-800-267-6999

†Under the FHSA, you are considered a first-time home buyer if you have not lived in a home that was owned by you or your spouse/common-law partner in the calendar year in which you are opening the FHSA or at any time in the preceding four (4) calendar years.

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