

RETIRE THE WAY YOU WANT

RRSP

Registered Retirement Savings Plan

How Does it Work?

An RRSP is an investment vehicle designed for Canadians to save toward retirement and at the same time offer tax deduction. The contributions can be used to reduce the income tax bill. The assets within the RRSP can grow tax-free until they are withdrawn, and taxed as income at a potentially lower tax bracket during retirement years.

Contribution Limit

For 2021, the contribution limit is 18% of taxable income up to \$27,830, whichever is lower. Unused contribution room can be carried forward.

Investment Options

RRSP can be invested in a wide range of options - GICs, bonds, mutual funds, ETFs, and stocks. We design your portfolio based on your investment needs.

Income Splitting

It may be beneficial for you to contribute to your spouse's RRSP if you have a higher income. Your contribution is tax-deductible while your spouse is entitled to the spousal account. The general idea is that by splitting income evenly, the couple would have a lower tax bracket when the money is withdrawn during retirement years.

Home Buyer's Plan

RRSP can be used to finance the down payment of your first home. First-time homebuyer can withdraw up to \$35,000 and repaid in equal installment up to 15 years.

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