

2020 FINANCIAL FACTS

@your fingertips

MANAGE YOUR SAVINGS AND TAXES

There are a lot of financial facts to keep track of – here's our handy sheet with the important amounts and dates to help you manage your finances.



CONTRIBUTION deadlines

2019 RRSP	March 2, 2020
2019 Homebuyer's Plan repayment	March 2, 2020
2019 Lifelong Learning Plan repayment	March 2, 2020
2020 TFSA	December 31, 2020
RRIF	December 31 of year RSP holder turns 71

Don't miss these dates to get the most from your registered accounts and to avoid penalties.



2020 Personal Federal MARGINAL TAX rate

Taxable income	Tax rate
\$0 - \$13,229	0%
over \$13,229 up to \$48,535	15.0%
over \$48,535 up to \$97,069	20.5%
over \$97,069 up to \$150,473	26.0%
over \$150,473 up to \$214,368	29.0%
over \$214,368	33.0%

Add your provincial marginal tax rates to get your combined tax rate.



GROWTH in a tax-deferred plan after 10 years*

Monthly deposit	3% rate of return	5% rate of return
\$50	\$6,986	\$7,762
\$100	\$13,973	\$15,527
\$200	\$27,947	\$31,055

Register for a pre-authorized deposit plan for your RRSP or TFSA and help your nest egg grow.



Annual RRSP limits

2020 contribution maximum **\$27,230**

Your contribution limit is 18% of last year's earned income (2019), to a maximum annual limit (\$27,230). This limit is reduced by any pension adjustments for the year.

Check your Notice of Assessment from Canada Revenue Agency for your own limit.

Annual TFSA limits

2020 Contribution limit **Cumulative¹**
 \$6,000 **\$69,500**

The TFSA is the most popular savings, investment and retirement account in Canada.

¹ This total applies to people who have been eligible to contribute to this plan since inception and have never made a withdrawal. The amount may be higher for individuals who made a withdrawal and wish to make a contribution in a year following the withdrawal.

LUMP-SUM PAYMENT withholding taxes

All provinces except Quebec

Up to \$5,000	10%
\$5,001 - \$15,000	20%
Over \$15,000	30%

These taxes will be withheld at source from funds withdrawn from your RRSP, and from withdrawal amounts above your RRIF minimums. For non-residents of Canada, the withholding tax rate is 25%, but can be reduced by a tax treaty.



MANAGE YOUR RETIREMENT INCOME

CANADA PENSION PLAN (CPP) benefits

Ave./month (Jan-Oct '19)

Retirement pension at age 65	\$673
Disability pension	\$1,001
Survivors' benefit younger than 65	\$443
Survivors' benefit age 65+	\$304
Death benefit - one time payment	\$2,489
Yearly maximum pensionable earnings (2020)	\$58,700

CPP provides contributors and their families with partial replacement of earnings in the case of retirement, disability or death. You have to apply for the CPP retirement benefit – it doesn't start automatically.

OLD AGE SECURITY (OAS) pension

Max./month (Jan-Mar '20)

Pension at age 65	\$614
Minimum Net Income Recovery threshold	\$79,054
OAS pension recovery tax	15% of excess over threshold

It's important to watch your annual net income, as the OAS recovery tax begins for net income above the \$79,054 threshold.

GUARANTEED INCOME SUPPLEMENT (GIS) benefit

Max./month (Mar '20)

Maximum if single, widowed, divorced, or if your spouse does not receive OAS pension	\$916
Maximum if spouse receives OAS pension or Allowance	\$552

In addition to the OAS pension, low income Canadians may be eligible for GIS. Starting December 2017, eligible seniors are automatically enrolled.

Talk to your advisor for more advice and information on managing your finances.

* For illustration purposes only. Assumes monthly contributions made at the beginning of the period and compound annual returns.

Sources: Canada Revenue Agency, Government of Canada, Statistics Canada. This document is for information purposes only and is not meant to provide legal, financial, tax, or any other advice. Although care was taken in the preparation of this document, The Empire Life Insurance Company assumes no responsibility for any reliance on or misuse or omissions of the information contained in this document and cannot be held responsible for damages or losses arising from the use of this information. Please seek professional advice before making any decisions.

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INV-2289-EN-01/20

Age	RRIF/LIF Minimum Payment
60	3.33%
61	3.45%
62	3.57%
63	3.70%
64	3.85%
65	4.00%
66	4.17%
67	4.35%
68	4.55%
69	4.76%
70	5.00%
71	5.28%
72	5.40%
73	5.53%
74	5.67%
75	5.82%
76	5.98%
77	6.17%
78	6.36%
79	6.58%
80	6.82%
81	7.08%
82	7.38%
83	7.71%
84	8.08%
85	8.51%
86	8.99%
87	9.55%
88	10.21%
89	10.99%
90	11.92%
91	13.06%
92	14.49%
93	16.34%
94	18.79%
95 +	20.00%

This is the minimum you must withdraw every year from your RRIF/LIF (% of the market value).

