

Retirement Services

Group RRSP Frequently Asked Questions

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| 1. What is a Group RRSP? | A Group RRSP permits an employee to contribute to an RRSP directly through their employers. |
| 2. Who is eligible? | The employer has discretion in determining eligibility. |
| 3. What does the employer contribute? | The employer has no obligation to contribute. Where the employer elects to contribute, the contribution is generally as a percentage of salary or a fixed dollar amount. |
| 4. What does the employee contribute? | The employee contributes a percentage of salary or a fixed dollar amount. |
| 5. Is the employee restricted in making withdrawals? | The employer has discretion to restrict employee withdrawals up to the level of employer contributions. |
| 6. What are the tax implications? | Employer contributions through a Group RRSP are a taxable benefit to employees. The total of employer and employee contributions is tax deductible to the employee up to the limit of the employee's available RRSP room. |
| 7. Can an employee set up a spousal RRSP? | Yes |
| 8. How are the contributions made? | Contributions are by payroll deduction |

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Tax Free Savings Accounts Frequently Asked Questions

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| 1. What is a TFSA? | The Tax Free Savings Account (TFSA) allows individuals to save up to \$5,000 per year, starting January 1, 2009. |
| 2. How are the contributions made? | Contributions are by payroll deduction. |
| 3. Are there any restrictions to withdrawing money from a TFSA? | No |
| 4. How will withdrawals from a TFSA affect a member's taxes? | All monies, including investment earnings withdrawn from a TFSA are tax-free. |
| 5. Can a member contribute the amount they withdrew back into their TFSA? | Yes, an employee can re-establish their contribution room the following January 1. |
| 6. Can a member carry forward any unused contribution room? | Yes, unused room can be carried forward to future years indefinitely. |
| 7. How does a member track their TFSA room? | The Canada Revenue Agency provides the TFSA contribution room on the member's Notice of Assessment. |