

FIRST HOME SAVINGS ACCOUNT (FHSA)

What it is

A hybrid of **TFSA + RRSP** for first-time home buyers.

Key Benefits

- Contributions are **tax-deductible** (like RRSP)
- Withdrawals for home = **tax-free** (like TFSA)

Contribution Rules

- \$8,000/year
- \$40,000 lifetime max
- Carry forward: up to \$8,000

Eligibility

- First-time home buyer
- Must use within **15 years**

Best Used For

- Saving for a **first home down payment**

What Happens If You Don't Buy

- Can transfer to RRSP **tax-free**

Watch Out For

- Strict withdrawal conditions (must qualify purchase)

Simple Strategy

- Max this FIRST if buying a home is a goal
- Invest moderately (not too risky if timeline is short)