

## Registered Education Savings Plan (RESP)

### What it is

- An account to save for a child's education with **government grants**

### Key Benefits

- **20% government match (CESG)** on contributions
- Tax-deferred growth

### Contribution Rules

- No annual limit
- Lifetime max: \$50,000 per child

### Free Money (Important)

- CESG: up to \$500/year
- Lifetime grant: \$7,200

### Withdrawals

- Contributions → tax-free
- Growth + grants → taxed in student's hands (usually low)

### Best Used For

- Long-term education planning

### Watch Out For

- If child doesn't go to school → penalties on grants
- Needs planning for exit strategy

### Simple Strategy

- Contribute **\$2,500/year** to max grant
- Invest aggressively early (long timeline)