

## **Registered Retirement Savings Plan (RRSP)**

### **What it is**

- A **tax-deferred retirement account**

### **Key Benefits**

- Contributions reduce your taxable income
- Investments grow tax-free (until withdrawal)

### **Contribution Rules**

- 18% of income (up to annual max ~\$31K+)
- Unused room carries forward

### **When You Pay Tax**

- When you withdraw (retirement ideally = lower tax bracket)

### **Best Used For**

- Retirement planning
- High-income earners (tax savings matter more)

### **Special Programs**

- **Home Buyers Plan (HBP):** Withdraw up to \$35K for home
- **Lifelong Learning Plan (LLP)**

### **Watch Out For**

- Withdrawals = taxable income
- Withholding tax applies if early withdrawal

### **Simple Strategy**

- Use when income is HIGH
- Delay withdrawals until retirement