

Tax-Free Savings Account (TFSA)

For advisor information only

A Tax-Free Savings Account (TFSA) is a registered savings vehicle that allows Canadian residents to earn investment income tax free!

Highlights

- The annual TFSA contribution limit is \$6,000 per year.¹
- Contributions are not tax deductible, but the income earned within the TFSA (e.g., interest income and capital gains) is tax free, even when withdrawn.
- Clients can access funds at any time and can use the funds for any purpose (specific restrictions may apply, such as term length for non-redeemable GICs).
- Any amounts withdrawn from the TFSA can be added back to the available contribution room at the beginning of the following year.
- Unused contribution room can be carried forward indefinitely.
- Withdrawals do not impact income-tested benefits such as Old Age Security and the Canada Child Tax Benefit. Funds provided to a spouse for contribution are not subject to income attribution rules.
- Contributions do not impact annual RRSP contribution limits.

Who is the TFSA best suited for?

The TFSA might be an ideal solution for any Canadian resident over the age of 18² with a Social Insurance Number, who:

- Is saving for a rainy day, a large project like a home renovation or simply looking to save in addition to their RRSP.
- Has contributed the maximum to their RRSP and still needs a vehicle to help shelter income and gains on investments.
- Wants to supplement their child's RESP to save for their education.

To learn more about B2B Bank Dealer Services or the Tax-Free Savings Account, call us at **1.800.387.2087** or visit b2bbank.com/dealerservices.

¹As of January 1, 2019. ²Age of majority in some provinces is 19. B2B Bank Dealer Services includes B2B Bank Financial Services Inc. (an MFDA member), B2B Bank Securities Services Inc. (an IIROC member, Member — Canadian Investor Protection Fund) and B2B Bank Intermediary Services (an AMF-regulated dealer operating in Quebec). B2B Bank Dealer Services acts solely in the capacity of an account administrator and does not provide investment advice to individuals or advisors. B2B Bank Dealer Services does not endorse or promote any investment products, programs or strategies. B2B Bank is a trademark used under license.