

RRSP vs TFSA vs Cash Account



A registered investment vehicle where tax is deferred on investment earnings; contributions are tax-deductible



A registered investment vehicle where investment earnings and withdrawals are tax-free



A non-registered cash savings account is a taxable and offers you the opportunity to grow your savings



Tax treatment

✓
Tax-deferred:
you pay tax later, when you're most likely in a lower income bracket

✓
Tax-free growth:
you pay tax on your contributions now, but any growth is never taxed

✓
Taxable:
you pay tax on contributions and returns



Eligible Investments

✓
An investment vehicle that can hold many different individual investment types including GICs to mutual funds

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**CRA restrictions on some products may apply*

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Annual Contribution Deadline

✓
March 1

✓
December 31

✓
No deadline



Annual Contribution Limits

✓
Maximum annual contribution: 18% of last year's earned income, up to a maximum of \$26,230

✓
Maximum annual contribution: \$5,500

✓
No limit



Carry forwards

✓
If you don't make your full eligible contribution the contribution room is carried forward

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✓
Not applicable



Tax Statement

✓
T4RSP

✓
Not applicable

✓
T5