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you're in the right place.**

Thanks to customized protection and investment solutions, iA Financial Group can help you reach your life goals.

Contact your iA financial advisor to develop an investment strategy tailored to your situation.



# TFSA

## Save tax-free!

### Why choose iA Financial Group's TFSA?

- Exceptional guarantees on sums invested and generated by investments in your IAG Savings and Retirement Plan contract (segregated funds)
- Wide range of innovative products (segregated funds, guaranteed interest funds, high interest savings account and daily interest fund+)
- Possibility of protecting your savings from creditors<sup>2</sup>
- Estate value is protected upon death thanks to the designation of a beneficiary (no probate fees)
- Continuity of your contributions in case of disability<sup>3</sup>
- Offered by qualified financial advisors



<sup>2</sup> Talk to your financial advisor to learn more.  
<sup>3</sup> Certain conditions apply.



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## The Tax-Free Savings Account (TFSA) is a unique savings program (beyond RRSPs) offered to help you:

- Save money to pursue personal projects, tax free
- Protect income generated by fund earnings (existing investments, investment income, inheritances, donations, etc.) that you would like to place in a tax shelter
- Maximize your savings with retirement in mind

## When should I choose a Tax-Free Savings Account?

- I have no debts on my personal property
- I have non-registered savings
- I have used all my RRSP contribution room
- I'd like to do some short-term projects, like home renovations or acquiring a car
- I'm a retiree who used up my RRSP contribution room or I'm older than 71 and I'd like to continue to save free of tax
- The taxation rate at the beginning of my career is low and I prefer to use my RRSP contribution room later when my income will generate greater tax savings
- I'm a self-employed worker whose net income is not high enough to generate a substantial tax return

## What are the advantages of a TFSA?

### Simple and accessible to everyone

If you are a Canadian resident, your contribution room starts to accumulate at 18 years of age, regardless of your income.

### Tax free

Earnings generated (interest, capital gains or dividends) and amounts withdrawn are not taxable.

### Cumulative contribution room

Unused contribution room accumulates indefinitely.

### Ease of withdrawals

You can withdraw money at any time without penalty<sup>1</sup>. There is no restriction as to the use of withdrawals. It can even be redeposited into the account again.

### Ideal complement to an RRSP

The TFSA investment instrument complements an RRSP, as an efficient way to save and put more money towards your retirement.

### No affect on income-based government benefits

Neither TFSA contributions nor earnings affect eligibility for the Guaranteed Income Supplement, Old Age Security, the Canada Child Tax Benefit or other government benefits based on income.

### Wide range of investment possibilities

You have the freedom to choose the funds that reflect your needs: a wide range of segregated funds as well as guaranteed interest funds, a high interest savings account and a daily interest fund+.

### Practical income-splitting tool

An individual can contribute to the TFSA of their spouse who has little or no income.

### Collateral assignment

It's possible to assign the assets of a TFSA.



## What are the main differences between a TFSA and an RRSP?

	TFSA	RRSP
<b>Registration</b>	Registered	Registered
<b>Age for eligibility</b>	Age 18	None
<b>Age limit to contribute</b>	None	Age 71
<b>Annual contribution limit</b>	2024: \$7,000 Cumulative total: \$95,000	18% of earned income, less the pension adjustment (maximum \$30,780 for 2023 and \$31,560 for 2024)
<b>Contribution deduction</b>	No	Yes
<b>Taxation on withdrawal</b>	No	Yes, full
<b>Withdrawals and contribution room</b>	Contribution room can be recovered in full when sums are withdrawn	All contribution room is lost when sums are withdrawn
<b>Eligibility for government programs</b>	As withdrawals are not added to income, they do not change eligibility	Withdrawals, which are added to income, can change eligibility
<b>Collateral assignment</b>	Can be assigned as collateral	Cannot be assigned

<sup>1</sup> Certain conditions apply.