



Gloria Munro CGA
 T 604.434.6620
 F 604.434.6626
 gloria@munrocga.com

North Road Plaza
 9912 Lougheed Highway
 Burnaby, BC V3J 1N3



Understanding **TAX** RRSPs

Your RRSP deduction limit for 2008 is shown on your 2007 Notice of Assessment. Your Notice of Assessment will also indicate if you have any unused contributions available for deduction.

Contribution Date

The last day to make a contribution, deductible on your 2008 tax return, is March 2, 2009.

RRSP Contribution Limits

The lesser of 18% of earned income or:

2008	2009	2010	2011
\$20,000	\$21,000	\$22,000	indexed

Age Limit

You can contribute to an RRSP up to the year in which you turn 71.

Provided you have unused contribution room and your spouse is 71 or younger, you may contribute to a spousal RRSP past the year you turn 71. You will get the deduction and your spouse will increase their RRSP.

Finding Your RRSP Contribution Limit Without Your Notice of Assessment

If you don't have your Notice of Assessment, there are several ways to find out the amount of your RRSP contribution limit. Since information about your RRSP limit is confidential, to gain access to this information from CRA, have the following handy:

- Your social insurance number
- Your month and year of birth
- The total income (line 150) you reported on your 2007 income tax return (this may be different from your Notice of Assessment). If you do not have this number, you will not be able to use the automated service
- Postal code (for EPass only)

Options to Access Your 2008 RRSP limit:

- Call 1-800-959-8281 – help line
- Call 1-800-267-6999 – automated service
- Use MyAccount at www.cra-arc.gc.ca – if you do not already have an EPass, you will need to complete the application form. The CRA Activation Code will be mailed to you within 5 business days
- Use Quick Access on the CRA website at www.cra-arc.gc.ca. Under "Individuals", click "More Topics". Click on "Quick Access", sign in and enter the required information.

Unused Contributions

These amounts are contributions you have made but not deducted on any previous returns. You have the option to deduct these amounts at any time that you have sufficient RRSP contribution room. Unused contributions are reported on your Notice of Assessment.

FAQ

Does my unused RRSP contribution limit carry forward?

Yes, your unused RRSP contribution limit can be carried forward indefinitely.

Can I over contribute to my RRSP?

Yes, at any time you may over contribute up to \$2,000 without penalty.

Can I deduct interest paid on money borrowed to contribute to my RRSP?

No, you cannot deduct interest or fees paid to a plan administrator for your RRSP.

Can RRSP losses be claimed on my personal tax return?

No, you cannot deduct losses in an RRSP. You will have less funds available for withdrawal so you will pay less tax.

This information is current to January 2009. It is of a general nature and is not intended to address the specific circumstances of a particular individual. You should not act on this information without appropriate professional advice after thorough examination of a particular situation. E&OE

For most Canadian families, income tax is the largest single annual cash outlay. By implementing a variety of tax planning strategies, a family can minimize the effects of this burden. To be effective and compliant requires a thorough understanding of the rapidly changing rules and legislation.

At **Munro & Company**, we prepare tax returns for individuals, businesses and corporations with basic and advanced tax requirements. Whether you are an employee, business owner, investor, or retiree, we can help you keep more of your hard earned income.