

QUEBEC 2020 FINANCIAL FACTS

@your fingertips

MANAGE YOUR SAVINGS AND TAXES

There are a lot of financial facts to keep track of – here's our handy sheet with the important amounts and dates to help you manage your finances.



CONTRIBUTION deadlines

2019 RRSP	March 2, 2020
2019 Homebuyer's Plan repayment	March 2, 2020
2019 Lifelong Learning Plan repayment	March 2, 2020
2020 TFSA	December 31, 2020
RRIF	December 31 of year RSP holder turns 71

Don't miss these dates to get the most from your registered accounts and to avoid penalties.



2020 Personal Combined Federal and Quebec MARGINAL TAX rates

Taxable income	Combined tax rate
\$0 to \$13,229	0%
over \$13,229 up to \$15,532	12.53%
over \$15,532 up to \$44,545	27.53%
over \$44,545 up to \$48,535	32.53%
over \$48,535 up to \$89,080	37.12%
over \$89,080 up to \$97,069	41.12%
over \$97,069 up to \$108,390	45.71%
over \$108,390 up to \$150,473	47.46%
over \$150,473 up to \$214,368	49.97%
over \$214,368	53.31%

Your federal tax rate + provincial tax rate is your combined tax rate.



GROWTH in a tax-deferred plan after 10 years*

Monthly deposit	3% rate of return	5% rate of return
\$50	\$6,986	\$7,762
\$100	\$13,973	\$15,527
\$200	\$27,947	\$31,055

Register for a pre-authorized deposit plan for your RRSP or TFSA and help your nest egg grow.



Annual RRSP limits

2020 contribution maximum **\$27,230**

Your contribution limit is 18% of last year's earned income (2019), to a maximum annual limit (\$27,230). This limit is reduced by any pension adjustments for the year.

Check your Notice of Assessment from Canada Revenue Agency for your own limit.

Annual TFSA limits

2020 Contribution limit	Cumulative ¹
\$6,000	\$69,500

The TFSA is the most popular savings, investment and retirement account in Canada.

¹ This total applies to people who have been eligible to contribute to this plan since inception and have never made a withdrawal. The amount may be higher for individuals who made a withdrawal and wish to make a contribution in a year following the withdrawal.

LUMP-SUM PAYMENT withholding taxes

	Federal		Quebec
Up to \$5,000	5%	+	15%
\$5,001 – \$15,000	10%	+	15%
Over \$15,000	15%	+	15%

These taxes will be withheld at source from funds withdrawn from your RRSP, and from withdrawal amounts above your RRIF minimums.





MANAGE YOUR RETIREMENT INCOME

QUEBEC PENSION PLAN (QPP) Benefits

	Max./month (2020)
Retirement pension at age 65	\$1,177
Disability pension	\$1,388
Survivors' benefit under age 45, no pension or dependent children	\$571
Survivors' benefit under age 45, no pension with dependent children	\$912
Survivors' benefit under age 45, no pension, disabled, with/without dependent children	\$948
Survivors' benefit ages 45 to 64, all situations	\$948
Survivors' benefit age 65+, no pension	\$707
Death benefit - one time payment	\$2,500
Yearly maximum pensionable earnings	\$58,700

QPP provides contributors and their families with partial replacement of earnings in the case of retirement, disability or death. You have to apply for the QPP retirement benefit – it doesn't start automatically.

OLD AGE SECURITY (OAS) pension

	Max./month (Mar '20)
Pension at age 65	\$614
Minimum Net Income Recovery threshold	\$79,054
OAS pension recovery tax	15% of excess over threshold

It's important to watch your annual net income, as the OAS recovery tax begins for net income above the \$79,054 threshold.

GUARANTEED INCOME SUPPLEMENT (GIS) benefit

	Max./month (Mar '20)
Maximum if single, widowed, divorced, or if your spouse does not receive OAS pension	\$916
Maximum if spouse receives OAS pension or Allowance	\$552

In addition to the OAS pension, low income Canadians may be eligible for GIS. Starting December 2017, eligible seniors are automatically enrolled.

Age	RRIF/LIF Minimum Payment
-----	--------------------------

60	3.33%
61	3.45%
62	3.57%
63	3.70%
64	3.85%
65	4.00%
66	4.17%
67	4.35%
68	4.55%
69	4.76%
70	5.00%
71	5.28%
72	5.40%
73	5.53%
74	5.67%
75	5.82%
76	5.98%
77	6.17%
78	6.36%
79	6.58%
80	6.82%
81	7.08%
82	7.38%
83	7.71%
84	8.08%
85	8.51%
86	8.99%
87	9.55%
88	10.21%
89	10.99%
90	11.92%
91	13.06%
92	14.49%
93	16.34%
94	18.79%
95 +	20.00%

This is the minimum you must withdraw every year from your RRIF/LIF (% of the market value).

Talk to your advisor for more advice and information on managing your finances.

* For illustration purposes only. Assumes monthly contributions made at the beginning of the period and compound annual returns.

Sources: Retraite Québec, Government of Canada, Statistics Canada. This document is for information purposes only and is not meant to provide legal, financial, tax, or any other advice. Although care was taken in the preparation of this document, The Empire Life Insurance Company assumes no responsibility for any reliance on or misuse or omissions of the information contained in this document and cannot be held responsible for damages or losses arising from the use of this information. Please seek professional advice before making any decisions.

® Registered trademark of **The Empire Life Insurance Company**. Policies are issued by The Empire Life Insurance Company.

Insurance & Investments – Simple. Fast. Easy.®

empire.ca investment@empire.ca toll-free 1 877 548-1881

