

Experience the benefits of tax-free compounding

Tax-free savings account



A TFSA is more than just a savings account. With it, you choose the investments, you put the money in, and you get the contributions and growth back out - tax free.

Whether you are planning for a project, retirement or your next vacation, a TFSA is a tax-efficient way to save.

Investment flexibility

Investments that are TFSA-eligible can be the same as those available for investments held within RRSPs, including mutual funds, money market funds, Guaranteed Investment Certificates (GICs), publicly traded securities, and government and corporate bonds.

Personal financial flexibility

A TFSA works well for your short- or long-term financial goals such as:



A ready source of **emergency funds**



Saving for a new car, cottage or dream vacation



Reducing taxes on your non-registered investments



Adding to your retirement savings



Splitting income with your spouse to **minimize taxes**



Adding to **education** savings beyond RESPs

Who is eligible for a TFSA?

All Canadians age 18 years or older at every income level are eligible.

Maximize your contributions

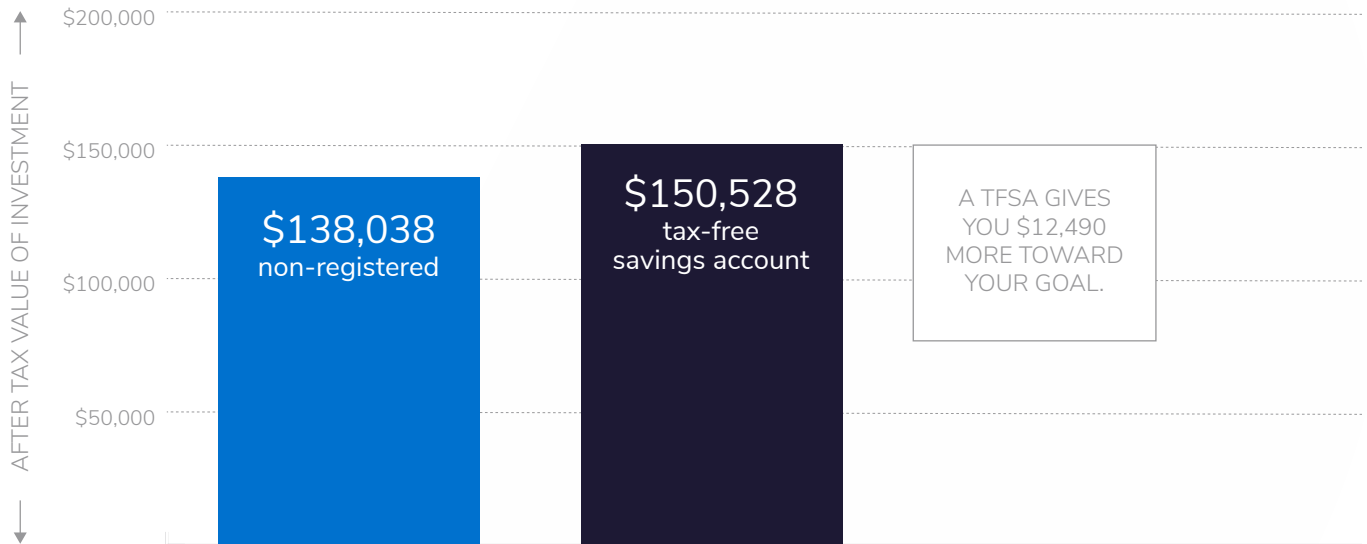
TFSA contributions can begin at age 18 and continue past age 71 (unlike an RRSP). Annual contribution room has varied year to year since its inception in 2009, and if you don't use all of your contribution room right away, it accumulates year after year – fill it at any time you choose. The time line of contribution limits can be found at canada.ca/tfsa. As well, a contribution to investments held within a TFSA does not affect RRSP contribution room.

Enjoy tax-free growth

Contributions grow and can be withdrawn at any time for any purpose without incurring tax. You are not taxed on interest, dividends or capital gains earned inside the TFSA. Contributions are not tax-deductible for income tax purposes. Withdrawals from a TFSA are not considered to be income and do not impact your eligibility for federal government programs such as Old Age Security or the Guaranteed Income Supplement.

TFSA withdrawals don't affect your eligibility for income-tested federal benefits such as Old Age Security (OAS).

Benefits of saving in a TFSA vs. non-registered long-term savings



Assumptions: \$5,000 annual contribution for 20 years. 3.75% rate of return. TFSA: 3.75% deferred growth. Non-Registered: 2% deferred growth, 0.75% realized capital gain, and 1% interest. Marginal tax rate is 35%. Assume all distributions are monthly, and tax on the non-registered account is paid annually on these distributions. Tax on the deferred growth portion in the non-registered account is paid at the end of the 20-year period, assuming the investment is redeemed. The rate of return is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values or returns on investment.

Talk to an IG Consultant about your personal circumstances so you can discuss the best strategies for you.



At IG Private Wealth Management, we believe in comprehensive financial well-being that comes from the power of expert advice to change lives for the better. We are committed to helping Canadians feel empowered about their finances and to improving their ability to achieve their personal financial goals by synchronizing all aspects of their financial lives through the IG Living Plan*.

For more information, please contact your IG Consultant.



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