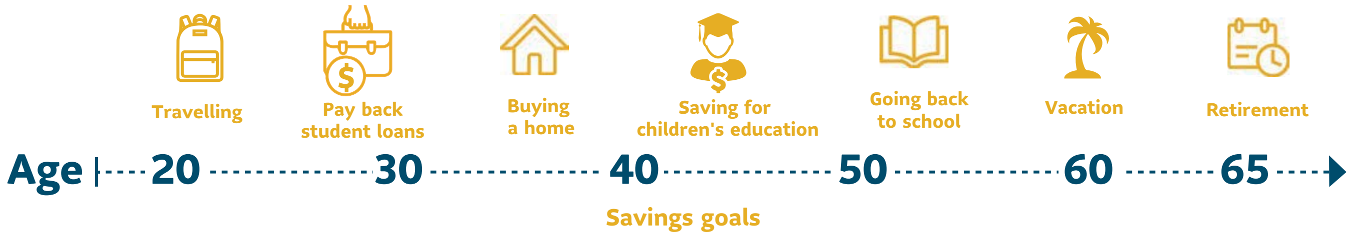
TFSA or RRSP

They work better together

Choose between them or take advantage of them both. Each product helps you reach your goals differently.

Life's brighter under the sun

Sun Life



Tax-Free Savings Account (TFSA)	Registered Retirement Savings Plan (RRSP)
A TFSA is good for all kinds of saving goals.	An RRSP is mostly for retirement savings.
Use it for big long-term purchases, like buying a house or retirement. Or, also use it for smaller, short-term goals, like a vacation, or a car. But there is a limit to how much you can save in a TFSA.	Use it for larger savings goals, like buying a home or going back to school. The Home Buyers' Plan and Lifelong Learning Plan let you use RRSP money for these purchases and then pay it back later.
Contributions are after tax, but you never have to pay tax on your investment income. Plus, you can take your money out whenever you want.	RRSP contributions can generally be used to lower your taxable income. Plus your contributions and investment growth are only taxed once you take your money out.

As part of your workplace plan, both the TFSA and RRSP have some of the same benefits, including:

- Add money from your pay. This way you save automatically without thinking too much about it.
- Professionally managed investments that you won't find if you invest on your own at a bank or mutual fund company
- Competitive investing fees

You'll find a detailed comparison of the TFSA and RRSP on the next page.

	TFSA	RRSP
Will contributions from my pay lower how much tax is withheld?	No. TFSA contributions are after tax.	Yes. Contributions from your pay are before tax.
Are there contribution limits?	Yes. The limit changes from time to time, and it's up to you to know and keep track of your limit. Add any contribution room you didn't use in previous years. One perk of the TFSA is if you take money out, you get the contribution room back in the following year. You also share your limit with all TFSAs you have in your name. Use the CRA's **My account for individuals service** on **Canada.ca** to check your limit.	Yes. The limit changes each year, and it's up to you to know and keep track of your limit. Add any contribution room you didn't use in previous years. Keep in mind, when you withdraw money, you lose the contribution room for good. You also share your limit with all RRSPs you have in your name. Check your most recent *Notice of assessment* from the Canada Revenue Agency (CRA) for your RRSP limit. Or use the CRA's **My account for individuals** service on **Canada.ca** to check your limit.
Do I pay tax on what my investments earn?	No, any investment growth is tax-free.	Any investment growth stays tax-free in the RRSP until you take the money out.
Am I taxed when I withdraw money?	No, your withdrawals are tax-free.	Yes, unless it's for the Home Buyers' Plan or the Lifelong Learning Plan and you pay the amount back. Tax will be withheld from your withdrawal and you may need to pay additional tax when you do your taxes.
Are there any age limits?	Yes, you need to be at least 18 to contribute. Invest in TFSAs at any age after that. So this is a good option if you are over 71.	Yes, you must stop contributing to your RRSP money by December 31 of the year you turn 71. (Or the year your spouse turns 71 for a spousal RRSP.)
Can I make one-time contributions?	Yes. Set up one-time contributions on **mysunlife.ca**, through the **my Sun Life mobile app** or by calling us.	
Can I bring in my savings from somewhere else?	Yes. Move money from other financial institutions into your workplace plan. It helps make taking care of your savings easier and you could save on fees too. Call us to get started.	
Can I use these in retirement?	Yes, continue adding money and saving with a TFSA during retirement. Use the money you've saved whenever you want, including when you're retired. *Money you take out of your TFSA does not affect the government money you qualify for.*	You generally can't add any more money to an RRSP in retirement. More specifically, you have to withdraw it or use it to buy a retirement income product by the end of the year you turn 71. *Keep in mind, money from an RRSP could lower the government money you qualify for in retirement.*

Go mobile: Check your balances and see how your funds are doing. Download the **my Sun Life mobile app** on Google Play or the Apple App Store.

Visit **mysunlife.ca** for tools, articles and videos. Sign in and select **Chat live now** to get live support.

Consider speaking with a financial advisor (registered as a Financial Security Advisor in Quebec) of your choice to get personalized advice about your plan.