

## TFSA vs. RRSP table

How do the TFSA and the RRSP stack up?

	TFSA	RRSP
Age limit	Starting at age 18.  No age limit.	No minimum age.  No later than December 31 of the year you turn 71.
Contribution room	\$5,000 in 2009, then indexed to the consumer price index in \$500 increments.	18% of income, up to a contribution limit of \$21,000 for 2009.  This limit is adjusted based on increases in the Average Industrial Wage (AIW).
Tax-deductible contributions	No	Yes
Taxable withdrawals	No	Yes
Taxable investment earnings	No	Not as long as the money remains in the RRSP.
Impact of withdrawals on government benefits (e.g., Employment Insurance, Old Age Security, Canada Child Tax Benefit)	None	Yes, because they are added to your taxable income.
Withdrawals free up contribution room (the amount withdrawn can be re-contributed at a later date)	Yes. The amounts withdrawn free up an equivalent amount of contribution room the following year.	No
Spousal contributions	No, but you can gift money to your spouse to be invested in their own TFSA.	Yes
Death taxes	No (for the value as at the date of death).	Yes, except in the event of a tax-free rollover.
Eligible savings products	<a href="#">Term investments</a> (excluding the Non-Redeemable Guaranteed Interest Fund)  <a href="#">Guaranteed Investment Funds</a>	<a href="#">Term investments</a>  <a href="#">Investment Funds</a>