RRSPs: IT’S TIME!

As baby boomers reach their retirement years, many are finding that the retirement income they are relying on is falling short of their goal. As a result, many people are postponing retirement in order to offset their savings shortfall. This trend will worsen as employee pension plans become scarcer and provide retirees with fewer income guarantees.

With studies indicating that many Canadians are not financially prepared for retirement, why aren’t we taking full advantage of our Registered Retirement Savings Plans (RRSPs)?

Some of the reasons include:

- It rarely feels like the “right time” to save for retirement — there are always other financial priorities that seem more important than retirement savings.
- Many Canadians assume that government sponsored retirement income programs will provide them with enough income to meet all their financial needs.

While government income programs make up a component of a retirement plan, they do not provide the level of income that most Canadians strive for during retirement. Making retirement savings a financial priority will help you to achieve the retirement income and lifestyle you want.

Contributions can be made within the first 60 days of the following tax year.

The RRSP contribution limit is:

- 18% of earned income up to a maximum that is set annually by Canada Revenue Agency (CRA)
- Plus any unused contribution room from previous years
- Less any pensions adjustments from employer pension plan contributions

It’s time to invest in your future — talk to your financial advisor about an Equitable Life® RRSP. Enjoy the tax benefits today, and build yourself a more financially secure retirement for tomorrow.