

# Financial Planning Facts – 2023

## SAVINGS

RRSP contribution limit	18% of earned income to a maximum of \$30,780
TFSA contribution limit	\$6,500
TFSA cumulative limit	\$88,000 for resident taxpayers age 18 and older in 2009

## EDUCATION SAVINGS

Maximum RESP contribution	Unlimited annual up to lifetime maximum of \$50,000 per beneficiary
Annual RESP contribution for maximum	20% of first \$2,500 per beneficiary = CESG up to \$500.
Canada Education Savings Grant (CESG)	Plus 20% of next \$2,500 per beneficiary if carryforward room is available = additional CESG up to \$500. Maximum annual CESG = \$1,000/year/beneficiary. Maximum lifetime CESG limit is \$7,200 per beneficiary.
BC Training and Education Savings Grant (BCTESG)	\$1,200 one-time payment for child born in 2006 or later; no RESP contribution required to receive grant; apply on 6th birthday
Quebec Education Savings Incentive (QESI)	10% of first \$2,500 = \$250/year, plus carryforward allowed up to \$250/year, lifetime maximum of \$3,600

## PERSONAL TAX

Basic personal amount where net income does not exceed \$165,430	\$15,000 then gradually reduced for net income in excess of \$165,430
Basic personal amount where net income exceeds of \$235,675	\$13,521

Federal tax brackets and rates based on taxable income

Taxable Income	Federal Rate
\$0 to \$53,359	15%
\$53,359 to \$106,717	20.5%
\$106,717 to \$165,430	26%
\$165,430 to \$235,675	29%
Over \$235,675	33%

Canadian eligible dividends	Gross up is 38%; taxable is 138% of actual dividend Federal tax credit is 20.73% of actual dividend amount
Other than eligible Canadian dividends	Gross up is 15%; taxable amount is 115% of actual dividend Federal tax credit is 10.38% of actual dividend
Lifetime capital gains exemption for qualified small business shares and qualified farm or fishing property (gross gain)	\$971,190
Additional lifetime capital gains exemption for qualified farm or fishing property (gross gain)	\$28,810

## RETIREMENT

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Maximum CPP/QPP benefit at age 65	\$1,306.57 per month
Maximum CPP/QPP* benefit at age 60	\$836.20 (\$1,306.57 x 64%)
Maximum CPP/QPP* benefit at age 70	\$1,855.33 (\$1,306.57 x 142%)
Maximum Monthly OAS benefit at age 65	\$687.56 - January 2023 to March 2023 adjusted quarterly
Maximum Monthly OAS benefit at age 70	\$935.08 (\$687.56 x 136%) - January 2023 to March 2023 adj. quarterly
OAS clawback rate	\$0.15 for every \$1 of net income above \$86,912 (\$81,761 for 2022) and eliminated when net income exceeds \$141,917 (Age 65 to 74) and \$147,418 (Age 75+)
RRSP withholding tax / RRIF withholding for amounts in excess of minimums	10% (20% in Quebec) on amounts up to \$5,000 20% (25% in Quebec) on amounts over \$5,000 up to \$15,000 30% (30% in Quebec) on amounts over \$15,000
Age amount credit - individuals age 65 or older on December 31, 2022	\$8,396 - reduced by 15% for net income over \$42,335, credit fully eliminated at net income of \$98,309

## DISABILITY SAVINGS

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Maximum RDSP contribution	Unlimited annual up to lifetime maximum of \$200,000 per beneficiary
Annual RDSP Canada Disability Savings Grant (CDSG) matches	Amount of grant when family income is \$106,717 or less: <ul style="list-style-type: none"><li>• on the first \$500 contribution - 300% match up to \$1,500/year</li><li>• on the next \$1,000 contribution - 200% match up to \$2,000/year</li></ul> Amount of grant when family income is more than \$106,717: <ul style="list-style-type: none"><li>• on the first \$1,000 contribution - 100% match up to \$1,000/year</li></ul>
Lifetime CDSG limit	\$70,000
Annual RDSP Canada Disability Savings Bond (CDSB) maximum	\$1,000 (no bond entitlement when income exceeds \$53,359)
Lifetime CDSB limit	\$20,000
Disability amount credit	\$9,428

## PAYROLL DEDUCTIONS

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CPP/QPP employer & employee contribution rate	5.95% (6.40% in Quebec) over the \$3,500 basic exemption
CPP/QPP maximum contribution	\$3,754.45 (\$4,038.40 in Quebec)
CPP/QPP maximum contribution for self-employed	\$7,508.90 (\$8,076.80 in Quebec)
CPP/QPP maximum pensionable earnings	\$66,600
EI employee premium rate	1.63% (1.27% in Quebec)
EI employer premium rate	2.28% (1.78% in Quebec)
EI employee maximum premium	\$1,002.45 (\$781.05 in Quebec)

El employer maximum premium	\$1,403.43 (\$1,093.47 in Quebec)
El employee maximum insurable earnings	\$61,500
Quebec Parental Insurance Plan (QPIP) employee contribution rate	0.494%
Quebec Parental Insurance Plan (QPIP) employer contribution rate	0.692%
Quebec Parental Insurance Plan (QPIP) self-employed contribution rate	0.878%
QPIP employee maximum premium	\$449.54
QPIP employer maximum premium	\$629.72
QPIP self-employed maximum premium	\$798.98
Maximum QPIP insurable earnings	\$91,000

## GOVERNMENT LINKS

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Canada Revenue Agency website	<a href="https://www.canada.ca/en/services/taxes.html">https://www.canada.ca/en/services/taxes.html</a>
Canada Revenue Agency general helpline	1-800-959-8281
Canada Public Pensions website	<a href="https://www.canada.ca/en/services/benefits/publicpensions.html">https://www.canada.ca/en/services/benefits/publicpensions.html</a>
Phone number for CPP/OAS queries	1-800-277-9914
Phone number for QPP queries	1-800-463-5185
Retraite Québec website	<a href="http://www.retraitequebec.gouv.qc.ca">www.retraitequebec.gouv.qc.ca</a>

**\* QPP – QPP also takes into account other factors such as year of birth and QPP income for determining the early withdrawal penalty or the deferral bonus.**

**Information is current as of January 2023 and is subject to change.**

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