

A Husband's Point Of View

A.M.H. Financial Services



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On the Lighter Side

Archaeology really is a career in ruins

What do you call a cow with no legs: An udder drag.

Did you know that lady frogs wear open toad shoes?

Traveling on a flying carpet is a rugged experience.

Which way did the programmer go? He went data way.

What do you get when you cross a vampire with a snowman? Frostbite

For almost all Canadians, a Registered Retirement Savings Plan (RRSP) is the single best, easiest, and most efficient way to save for retirement. An RRSP also offers one of the best ways to reduce the amount of tax you pay.

With an RRSP, you won't pay tax on any growth on investments while it's in your account. That's a big deal, because it can help you achieve your goals faster. Plus, any money you put in your RRSP will be subtracted from your income so you'll pay less in taxes.

In an ideal world, you'll make regular contributions to your RRSP. But if you can't, you may want to consider getting an RRSP loan. If you do decide to get a loan, you should use your tax refund to pay off your loan quicker.

An RRSP loan works just like any loan: you borrow a lump sum of money and have to make principal and interest repayments regularly over a period of time. The only thing that makes it an RRSP loan is that the lump sum goes directly into your RRSP account. RRSP loans tend to be shorter than other types of loans.

RRSP loans help you maximize your retirement savings. The more you can put away and the earlier you do it, the better. Just as it's important to open an RRSP, it's equally important to make sure you're getting the most out of your RRSP.

That's where maximizing your contributions with RRSP loans and making smart RRSP withdrawals come into play. An RRSP loan is a great way to ensure that you're maximizing your RRSP contributions. An RRSP loan gives you the funds you need to meet your full annual RRSP contribution amount of 18% or top up your unused contributions from previous years.

Call Andy today for more information on RRSPs and RRSP loans at (780) 425-4058 or email him at andy@amhfinancial.ca



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March 2, 2020 is the deadline to contribute to your RRSP for the 2019 tax year. Typically, you have until the 60th day of the year to contribute to your RRSP, but because that falls on a weekend this year, the deadline is actually the next business day (Monday, March 2).

Annual RRSP Contribution Limits



Lower your taxes while growing your nest egg for retirement!



Year	Annual Contribution Limits
2020	\$27,230
2019	\$26,500
2018	\$26,230
2017	\$26,010
2016	\$25,370
2015	\$24,930
2014	\$24,270
2013	\$23,820
2012	\$22,970
2011	\$22,450
2010	\$22,000
2009	\$21,000
2008	\$20,000
2007	\$19,000
2006	\$18,000
2005	\$16,500

Anyone with RRSP contribution room can contribute to an RRSP, up to and including the year that the contributor turns 71 years of age. Contributions can be made to a spousal RRSP up to and including the year that the spouse or common-law partner turns 71 years of age. This maximum age was increased from 69 to 71 by the 2007 Federal budget, giving people an additional two years to contribute.

A Breakdown on how RRSP's Work

It's 2020 and perhaps somewhere in the back of your mind, you've started thinking about your RRSP strategy for this year to maximize your tax refund when you file your 2019 personal tax return. Let's go over some information on RRSPs.

RRSPs are usually invested in financial products, which may earn interest, capital gains or dividends, depending on investment plan. RRSP provides following basic benefits:

You can deduct RRSP contributions and reduce taxable income in the year of contribution.

Although all withdrawals are fully taxed, many people have lower marginal tax rate in retirement than they did during their working life. This creates a tax deferral opportunity, if planned properly, where you can get a refund in your high income years (at a higher tax rate), and pay lower income taxes in your years of withdrawal (at a lower tax rate).

Types of RRSPs:

1. Regular RRSP:

In the case of a regular RRSP, the taxpayer make contributions to their own plan and the funds are managed by financial institution or investment company.

2. Spousal RRSP:

Spousal RRSPs are another great tool available for taxpayers to save/defer taxes. The contributing spouse is normally the higher income earner. The purpose is to shift RRSP assets into hands of lower income spouse so that, at retirement, the income from the plan is taxed at a lower marginal rate, resulting in tax savings.

3. Group RRSPs:

Group RRSPs are a collection of individual RRSPs grouped together for administrative purpose. Typically sponsored by an employer, union or professional association. These types of RRSPs normally managed by financial institution, insurance companies or security dealer. Often, both employer and employees contribute to group RRSP, with the employer matching employee contribution up to a certain limit or percentage of income.

Setting up an RRSP and starting to save for your retirement is as simple as talking to Andy.
But don't delay – the sooner you start, the more time your money will have to grow and the more likely you are to achieve your retirement goals.



Financial Advisor
Since 1976



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Take a look at our new website!

www.amhfinancial.ca

AMH Financial Services is a full-service firm. We offer services to help you examine your financial goals and select the options that will best suit your needs, timeframe and investment style. We believe in helping you create a comprehensive financial plan for your family that includes planning, insurance and portfolio management.

MY COMMITMENT AS A FINANCIAL ADVISOR IS TO HELP PEOPLE TO REACH THEIR FINANCIAL GOALS. IF YOU HAVE A FAMILY MEMBER, FRIEND OR COLLEAGUE WHO YOU FEEL COULD BENEFIT FROM A CONVERSATION WITH ME, I WOULD BE PLEASED TO SPEAK WITH THEM WITHOUT OBLIGATION.

I believe that every individual has an unalienable right to make the best and most effective use of hard-earned income, to have easy access to up-to-date and informed advice, and to be able to provide for short and long-term requirements.



My mission is to help you to make an educated decision that you are comfortable with!

I am committed to serving the individual customer with investment and financial portfolios which will meet current needs and provide for future requirements and situations.



*Want to feel more confident about reaching your financial goals?
We can help you with that!*



I want to get ready for my financial future



I want to plan for my retirement



We want to get ready for our life together



I want my children to get ready for a better financial future

With so much conflicting advice in the news, online, even from friends and family, making sound financial choices is difficult. Eliminate the confusion and make informed financial decisions with help from a professional.

Call us today (780) 425-4058

