

# The Registered Disability Savings Plan



- 1 A WORTHY OBJECTIVE**

The RDSP allows parents, the beneficiary and any other authorized person to contribute for the purpose of ensuring the long-term financial security of an eligible disabled person.
- 2 FIRST MULTIPLIER**

Based on family income, a premium of 100% to 300% of amounts contributed by the plan holders is available through the Canada Disability Savings Grant (up to \$3,500 per year and \$70,000 lifetime).
- 3 SECOND MULTIPLIER**

Also based on family income, the Canada Disability Savings Bond can provide up to \$1,000 annually (lifetime maximum of \$20,000) to the beneficiary until he or she turns 50.
- 4 THE PLAN HOLDER'S ROLE**

As parent, guardian or legal representative, the plan holder opens the RDSP, contributes annually and authorizes other contributors' donations. Contributions are not tax deductible.
- 5 THE BENEFICIARY'S STATUS**

The beneficiary must be eligible for the federal disability tax credit. He or she must reside in Canada, have a SIN and be less than 60 years of age. A person can be both the plan holder and beneficiary of an RDSP.
- 6 RULES AND CONDITIONS**

The RDSP is taxable and is governed by many rules and conditions to suit different situations. For further useful details, see <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/registered-disability-savings-plan-rdsp.html>.
- 7 MAXIMIZE YOUR RDSP**

Building a strategy to generate long-term stable income is key. Your wealth management advisor can help you optimize your RDSP.