



## Registered Retirement Income Fund (RRIF) Basics

Age on Jan 1	Minimum Withdrawal
65	4.00%
66	4.17%
67	4.35%
68	4.55%
69	4.76%
70	5.00%
71	5.28%
72	5.40%
73	5.53%
74	5.67%
75	5.82%
76	5.98%
77	6.17%
78	6.36%
79	6.58%
80	6.82%
81	7.08%
82	7.38%
83	7.71%
84	8.08%
85	8.51%
86	8.99%
87	9.55%
88	10.21%
89	10.99%
90	11.92%
91	13.06%
92	14.49%
93	16.34%
94	18.79%
95+	20.00%

### Setting up a RRIF

- A RRIF is an investment account funded by your personal retirement savings which **provides you with income during retirement**.
- The most common source is **funds transferred from a RRSP**. An RRSP must be converted to a RRIF no later than December 31 of the year in which you turn 71, but it can be done earlier.
- Funds might also come from other retirement savings or pension plans (e.g. A Defined Benefit or Defined Contribution Pension Plan).
- A RRIF can be set up at any age, but you are required to make withdrawals from the fund starting the following calendar year.

### Withdrawals

- Each year, a **minimum amount must be withdrawn**. You may choose to withdraw more than the minimum and there is no maximum.
- The minimum withdrawal is based on your age on January 1 of each year. **It increases every year**. To calculate your minimum withdrawal in dollars, multiply the market value of your RRIF account on December 31<sup>st</sup> by the appropriate percentage from the table.
- You are allowed to use your **spouse's age** instead of your own. If your spouse is younger, using their age results in a lower minimum withdrawal and gives you added flexibility in choosing your sources of income in retirement.

### Taxation

- **Investments grow tax-free** until they are withdrawn. No tax is paid until withdrawals are made.
- Annual RRIF **withdrawals are taxable** retirement benefits. They are added to income and subject to income tax for the year the amounts were withdrawn.