FIRST HOME SAVINGS **ACCOUNT** (FHSA)



\$8,000

Annual tax-deductible contribution limit per person \$40,000

Maximum lifetime amount & down payment per person

add up the cumulative benefits available

Combined Federal Government Programs for First Home Buyers

Flexibility and options

CARRYFORWARD

Carryforward unused amounts up to \$8000 once account has been opened

TRANSFERS

(including from one FHSA to another)

Can transfer funds from **RRSP** on a rollover basis up to **FHSA** limits

May transfer unused funds to RRSP or RRIF tax free; no impact on RRSP contribution room

partner may be: named as successor holder

Only Spouse/common law

- transfer to their RRSP or **RRIF** if ineligible for FHSA

WITHDRAWALS

Withdrawals tax free if used to purchase first home only; and then **not** included in net income

PLUS THESE FEDERAL PROGRAMS

- home buyers plan \$35,000
- 1st time home buyers tax credit up to \$10,000
- 1st time home buyers incentive (avail to Mar. 31, 2025) 5% or 10% towards purchase. Share equity. Lower mortgage payments.

Eligibility

First time buyer

calendar year before making withdrawal or in previous 4 years

Must be Canadian resident at time of purchase.

Did not occupy home you owned during any part of

Location of home

Resident of Canada

Qualifying home must be housing unit located in Canada; includes share in cooperative housing corp.

Non-residents may contribute to existing plan; must be a Canadian resident to make a tax free withdrawal

that entitles possession and has equity interest

purchase or after built

18-71

Primary resident

You must be primary resident of home within one year of

Agreement

Age

home before Oct. 1 of year following year of withdrawal

Must have written agreement to buy or build qualifying

Prohibited and non-qualified investment rules applicable to other registered plans apply

Qualifying investments

✓ Equities/stocks GICs/term deposits

✓ Bonds

✓ Savings accounts

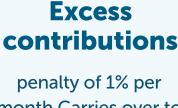
Segregated funds

Mutual funds

- **✓** ETFs

Other considerations





penalty of 1% per month Carries over to surviving spouse who



included in taxpayer's

income and taxable

Deductions Not required to claim deduction for tax year in which contribution is made Can be carried forward



Spousal contributions **Deductions only** available if you contribute to your

own plan.

if contributing

other party's FHSA, **RRSP or RRIF** No attribution rules funds transferred



beneficiary and withholding tax

from spouse

professional advice. The Empire Life Insurance Company assumes no responsibility for any reliance made on or misuse or omissions of the information contained in this document. Please seek professional advice before making any decision.

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