

**DATE:** April 13, 2020

**N° 2020-12**

**CATEGORY:** **INVESTMENTS**

**TO:** Managing General Agents, Associate General Agents, Advisors, General Agents and National Accounts

**SUBJECT:** **Changes to the calculation of the 2020 required minimum withdrawal for registered retirement income funds (RRIF)**

**Announcement:** On March 25, 2020 a new set of economic measures became law to help stabilize the economy during this challenging period. One of these measures is to reduce the required minimum withdrawals from Registered Retirement Income Funds (RRIF's) by 25% for 2020. These measures were delivered as part of the Government of Canada's COVID-19 Economic Response Plan.

## Administrative Changes

- Customers have the option of reducing their RRIF minimum by 25% for 2020 only
- Requests to reduce the minimum can be submitted by email, fax or telephone
- Any customers who have withdrawn the full RRIF minimum for 2020 will not be eligible to re-contribute 25% back to their RRIF
- If customers elect to take their full unreduced minimum they will not have tax withheld on the difference between the reduced and full minimum
- Customers invested in a Class Plus, Class Plus 2, Class Plus 2.1 or Class Plus 3.0 policy will be able to withdraw the full RRIF minimum if it is higher than their Lifetime Withdrawal Amount without causing an excess withdrawal
- These changes apply to all types of RRIF's including locked-in