

# QUEBEC 2023 FINANCIAL FACTS

## @your fingertips

### MANAGE YOUR SAVINGS AND TAXES

There are a lot of financial facts to keep track of — here's our handy sheet with the important amounts and dates to help you manage your finances.



#### CONTRIBUTION deadlines

2022 RRSP	March 1, 2023
2022 Homebuyer's Plan repayment	March 1, 2023
2022 Lifelong Learning Plan repayment	March 1, 2023
2023 TFSA	December 31, 2023
RRIF	December 31 of year RSP holder turns 71

Don't miss these dates to get the most from your registered accounts and to avoid penalties.



#### 2023 Personal Combined Federal and Quebec MARGINAL TAX rates\*

Taxable income	Combined tax rate
\$0 to \$15,000	0%
\$15,001 to \$17,183	12.53%
\$17,184 to \$49,275	27.53%
\$49,276 to \$53,359	32.53%
\$53,360 to \$98,540	37.12%
\$98,541 to \$106,717	41.12%
\$106,718 to \$119,910	45.71%
\$119,911 to \$165,430	47.46%
\$165,431 to \$235,675	50.23%
Over \$235,675	53.31%

Your federal tax rate + provincial tax rate is your combined tax rate.



#### GROWTH in a tax-deferred plan after 10 years \*\*

Monthly deposit	3% rate of return	5% rate of return
\$50	\$6,987	\$7,764
\$100	\$13,974	\$15,528
\$200	\$27,948	\$31,056

Register for a pre-authorized deposit plan for your RRSP or TFSA and help your nest egg grow.



#### Annual RRSP limits

**2023 contribution maximum** **\$30,780**

Your contribution limit is 18% of last year's earned income (2022), to a maximum annual limit (\$30,780). This limit is reduced by any pension adjustments for the year.

Check your Notice of Assessment from Canada Revenue Agency for your own limit.

#### Annual TFSA limits

2023 Contribution limit	Cumulative <sup>1</sup>
\$6,500	\$88,000

The TFSA is one of the most popular savings, investment and retirement accounts in Canada.

<sup>1</sup> This total applies to people who have been eligible to contribute to this plan since inception and have never made a withdrawal. The amount may be higher for individuals who made a withdrawal and wish to make a contribution in a year following the withdrawal.

#### LUMP-SUM PAYMENT withholding taxes

	Federal		Quebec
Up to \$5,000	5%	+	15%
\$5,001 – \$15,000	10%	+	15%
Over \$15,000	15%	+	15%

These taxes will be withheld at source from funds withdrawn from your RRSP, and from withdrawal amounts above your RRIF minimums.



# MANAGE YOUR RETIREMENT INCOME

## QUEBEC PENSION PLAN (QPP) Benefits

as of January 2023	Maximum
Retirement pension at age 65	\$1,306
Disability pension	\$1,537
Survivors' benefit under age 45, no pension or dependent children	\$649
Survivors' benefit under age 45, no pension with dependent children	\$1,024
Survivors' benefit under age 45, no pension, disabled, with/without dependent children	\$1,064
Survivors' benefit ages 45 to 64, all situations	\$1,064
Survivors' benefit age 65+, no pension	\$804
Death benefit – one time payment	\$2,500
Yearly maximum pensionable earnings	\$66,600

QPP provides contributors and their families with partial replacement of earnings in the case of retirement, disability or death. You have to apply for the QPP retirement benefit – it doesn't start automatically.

## OLD AGE SECURITY (OAS) monthly pension

for January-March 2023	Maximum
Pension at age 65	\$687
Minimum Net Income Recovery threshold (Income year 2023)	\$86,912
OAS pension recovery tax	15% of excess over threshold

It's important to watch your annual net income, as the OAS recovery tax begins for net income over the threshold.

## GUARANTEED INCOME SUPPLEMENT (GIS) benefit

for January-March 2023	Maximum
Maximum if single, widowed, divorced, or if your spouse does not receive OAS pension	\$1,026
Maximum if spouse receives OAS pension or Allowance	\$618

In addition to the OAS pension, low income Canadians may be eligible for GIS. Starting December 2017, eligible seniors are automatically enrolled.

Age	RRIF/LIF Minimum Payment
60	3.33%
61	3.45%
62	3.57%
63	3.70%
64	3.85%
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%

This is the minimum you must withdraw every year from your RRIF/LIF (% of the market value).

### Talk to your advisor for more advice and information on managing your finances.

\* Combined rate reflects federal tax abatement of 16.5% of federal tax. \*\* For illustration purposes only. Assumes monthly contributions made at the beginning of the period and compound annual returns. Sources: Retraite Québec, Government of Canada, Statistics Canada. This document is for information purposes only and is not meant to provide legal, financial, tax, or any other advice. Although care was taken in the preparation of this document, The Empire Life Insurance Company assumes no responsibility for any reliance on or misuse or omissions of the information contained in this document and cannot be held responsible for damages or losses arising from the use of this information. Please seek professional advice before making any decisions.

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