

What is a Registered Disability Savings Plan (RDSP)?

2010

The RDSP is a new federally registered savings plan that is delivered by the Canada Revenue Agency. It is designed to ensure long-term financial security for people with disabilities. Beneficiaries may receive the added benefit of government grants and bonds. The RDSP, grant and bond are an initiative of the Government of Canada. Independent Living (IL) Canada encourages people to apply for RDSP's. This savings plan aligns with the Independent Living philosophy encouraging people with disabilities to plan for their long term financial security and the future costs of disability needs. Please contact your local Independent Living Centre for more information. Go to www.ilcanada.ca to find a local IL Centre.

Who can have an RDSP?

Any person can be a beneficiary as long as they:

- are eligible to claim the Disability Tax Credit (DTC)
- have a Social Insurance Number (SIN)
- are a Canadian resident
- are under the age of 60

Did you know?

- Even with no financial contribution, you may be able to receive up to \$1000 annually to invest through the Canada Disability Savings Bond if you meet the criteria
- If financial contributions are made by you, your family or your guardian you may be eligible for additional financial contributions from the federal government through the Canada Disability Savings Grant Program
- Grants and bonds are paid directly into your RDSP until the age of 49
- The lifetime contribution limit is \$200,000 per plan
- There is no annual contribution limit to an RDSP
- Legally authorized parents or guardians can establish an RDSP on behalf of a person with a disability who is a minor or who is unable to enter into a contract
- Having an RDSP does not impact Federal Benefits (see RDSP Information Sheet #3 for more details)
- In most provinces and territories, RDSP benefits do not impact existing provincial social assistance support programs (see RDSP Information Sheet #3 for more details)

Did you know?

- Growth of your RDSP contributions is not taxable until you take your money out (see the Canada Revenue Agency website for further details)
- When you decide to take your money out it can be used for any purpose
- There are still incentives for someone over 49 years of age to open a plan
 - You can contribute until the age of 60,
 - Save tax-free
 - Depending on your province you may be able to access this money without impacting your federal or provincial disability benefits

How to open an RDSP?

1. Identify the beneficiary
The **beneficiary** of the RDSP is the person who meets the above requirements and will receive the money in the future.
2. Identify the RDSP holder
The **holder** of the RDSP is the person or organization that opens and manages the RDSP (if required).
3. Contact a financial organization - several financial organizations offer the RDSP. To open an RDSP and apply for the grant and bond, complete a registration form.

Where to get an RDSP?

The following financial organizations offer the Registered Disability Savings Plan (RDSP), grant and bond:

- BMO Bank of Montreal. 1-800-665-7700
- Bank of Nova Scotia. 1-877-929-4499
- Desjardins Trust Inc. 1-877-286-3420
- CIBC Securities Inc. 1-800-465-3863
- Les Fonds d'investissement FMOQ inc. 1-800-641-9929 (Québec residents)
- The RBC Royal Bank. 1-800-463-3863
- TD Canada Trust (TD Waterhouse). 1-866-280-2022

Additional information

- Canada Revenue Agency - www.cra-arc.gc.ca/disability
 - Disability Tax Credit - www.cra-arc.gc.ca/E/pbg/tf/t2201
 - RDSP - www.cra-arc.gc.ca/tx/ndvdl/tpcs/rdsp-reei
- Human Resources and Skills Development Canada
 - Grants and Bonds - www.disabilitysavings.gc.ca
- Service Canada
 - Social Insurance Number - www.servicecanada.gc.ca/eng/sc/sin
- Planned Lifetime Advocacy Network (PLAN) - www.rdsp.com