

71 is the new 69!

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The RRSP maturity age has now been raised from 69 years to 71 years! This, of course, means an extension of two years for annuitants to contribute to their RRSP before the plan is required to be converted to a RRIF. Many have welcomed this news.

Annuitants turning 70 or 71 in 2007, or turning 71 in 2008, are not required to take minimum payments for the year. Clients that are under the age of 71 years also have the option to transfer their RRIF back to an RRSP if they would like to make additional contributions.

Advisors are encouraged to speak to their clients who are affected by this change and discuss which option is most beneficial for their individual needs and portfolio.

Canadian Western Trust will also be communicating these changes and options available to its clients. Unless instructed in writing, we will continue with the currently set payment schedule for the annuitants.

Please contact our Relationship Management Team at 1.800.663.1124 or at informationservices@cwt.ca to request required documentation for clients who wish to halt their income stream, or convert their RRIFs to RRSPs.