

Retirement Plan  
Pension

## INDIVIDUAL PENSION PLAN

Dramatically boost your retirement assets with tax-deductible corporate contributions.

### How an IPP works

An IPP is a tax-deferred savings vehicle used to invest and save for retirement. Contributions are tax-deductible and made directly from the corporation. Similar to an RRSP, the assets inside an IPP are tax-deferred until withdrawal. A clear advantage of an IPP is you can contribute up to 65% more than an RRSP.

### How much can be contributed to an IPP?

| Age | RRSP Contribution | IPP Contribution | IPP Advantage |     |
|-----|-------------------|------------------|---------------|-----|
| 45  | \$26,500          | \$31,400         | \$4,900       | 18% |
| 50  | \$26,500          | \$34,500         | \$8,000       | 30% |
| 55  | \$26,500          | \$37,900         | \$11,400      | 43% |
| 60  | \$26,500          | \$41,600         | \$15,100      | 57% |
| 65  | \$26,500          | \$43,600         | \$17,100      | 65% |

### Advantages of an IPP

- ✓ Increased tax-deductible contribution room – up to 65% more than an RRSP
- ✓ Can reduce passive income in Corporation
- ✓ Tax-deductible company contributions for prior years (past service)
- ✓ Richest benefit plan in Canada – 2% defined benefit pension plan
- ✓ All costs are tax-deductible to the company
- ✓ Creditor Protection
- ✓ Increased corporate and personal tax savings
- ✓ Can include employed family members and pass on wealth to the next generation



## Who is a good candidate for an IPP?

- ✓ Business owner
- ✓ Over age 40
- ✓ Incorporated professional
- ✓ \$100,000+IN T4 earnings\*

## Case Study

A professional, age 55, incorporated for 10 years, maximum T4 earnings and \$250,000 in RRSPs

- ✓ \$91,300 in immediate past service funding – tax-deductible to the company
- ✓ Up to \$500,000 more in tax-deductible contribution room over working years
- ✓ The IPP can accumulate up to \$1,000,000

## GOT QUESTIONS?

Contact DJB Wealth Management Inc. today - we can help you stay on the right path!



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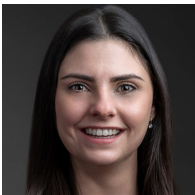
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**NOTE:** These are general figures for the purposes of illustration. We recommend you seek appropriate professional advice before deciding on your charitable gifts.