

A Registered Disability Savings Plan (RDSP) is a long term savings plan designed to supplement the retirement income of an individual with a disability. Income received from an RDSP will not impact federally income tested benefits such as the Guaranteed Income Supplement (GIS) or Old Age Security (OAS). Investments within the RDSP will not impact asset tested benefits (except in the provinces of Quebec and Prince Edward Island) such as the Assured Income for the Severely Handicapped (AISH).

The RDSP has two main parties; the beneficiary and the holder.

Requirements for the **beneficiary**:

- Eligible for the federal Disability Tax Credit (DTC)
- Is a resident of Canada
- Has a valid Social Insurance Number
- Turning age 59 or under in the year

The person who opens the plan and makes decisions is called the **holder**. The holder can be a parent, legal guardian or the individual with a disability (if over 18 years of age). The holder determines contribution amounts, selects investments and manages withdrawals and income payments.

A federal bond is available for families with low to modest income. The **Canadian Disability Saving Bond** (CDSB) provides up to \$1,000 per year, without any contributions, eligibility is based on family income.

Family income*	CDSB received
\$30,000 or less	\$1,000
Between \$30,001 and \$45,916	\$1,000, reduced on a pro-rated basis
More than \$45,916	No bond is paid

Federal grants are provided to augment the contributions made to an RDSP. The **Canadian Disability Savings Grant** (CDSG) provides up to \$3,500 per year, based on contributions and family income.

Family income*	Contribution	CDSG received
\$91,831 or less	First \$500 Next \$1,000	300% up to \$1,500 200% up to \$2,000
More than \$91,831	\$1,000	100% up to \$1,000

*Income amounts shown are for the 2017 tax year, thresholds are updated annually based on inflation

Family income is determined by the age of the beneficiary:

- If the beneficiary is turning 18 or younger in the year, their parents or legal guardian's income is used to determine eligibility.
- If the beneficiary is turning 19 or older in the year, their personal income plus the income of their spouse or common-law partner (if applicable) determines eligibility.

For more information or to set up your Registered Disability Savings Plan contact Suzanne Smith-Demers toll free at 1-877-433-4840-253-4840 or by email at Suzanne.Smith-Demers@investorsgroup.com.