

Withdrawals and transfers

Withdrawals

A member can withdraw amounts from their Registered Retirement Savings Plan (RRSP) before it starts paying retirement income. However, if the member owns a locked-in RRSP, normally, he or she will not be able to withdraw funds.

Registered Retirement Savings Plan (RRSP)

To withdraw money invested in their RRSP, members can call us at 1-800-242-1704. It is important to note that funds that are withdrawn from an RRSP are subject to withholding tax and must be reported.

Home Buyers' Plan (HBP)

The HBP allows first-time homebuyers who are Canadian residents to withdraw a maximum of \$25,000 from their RRSP, for the purpose of buying or building a qualifying home. If a member has previously withdrawn money from his or her RRSP for an HBP and would like to re-apply, the HBP balance (the total of all eligible withdrawals) must total zero on January 1 of the year in which he or she wishes to re-apply. The plan also allows members to make RRSP withdrawals for the purpose of buying or building a qualifying home for a disabled relative. Members who choose to take advantage of an HBP will need to complete form T1036, for each withdrawal.

- **Withdrawal** – The amounts withdrawn will not have tax withheld or have to be reported as an income.
- **Repayment** – Any amount withdrawn must be repaid within no more than 15 years. The first payment is due the second year following the year in which the first withdrawal was made. The member will receive from Canada Revenue Agency (CRA) an annual statement indicating the amount repaid and the amount to be paid in the following year. If the member does not repay the amount due in a given year, this amount will be considered as taxable income for that year.
- **Income tax filing** – The member is required to file an income tax return for every year he or she has an HBP balance at the end of the year, even if he or she has no income to report.

Lifelong Learning Plan (LLP)

The LLP allows members who are Canadian residents to withdraw up to a maximum amount of \$10,000 per year up to a maximum of \$20,000 in total from their RRSP over not more than four years, to finance full-time training or education for continuing either their education or the education of their spouse. Members will need to complete form RC96 for each withdrawal.

- **Withdrawal** – Same as the Home Buyers' Plan, the amounts withdrawn will not have tax withheld or have to be reported as a taxable income.
- **Repayment** – Any amount withdrawn must be repaid within a period of no more than 10 years. The first payment is due before the 5th year anniversary after the first withdrawal was made, or the year following the one the member could last claim a student exemption on their tax return. If the member doesn't repay the amount due in a given year, this amount will be considered as taxable income for that year.

Need more information about HBP and LLP? Go to the CRA Website at www.cra-arc.gc.ca

Note: HBP and LLP forms are also available in the VIP Room for Members.

Transfers

A member can make transfers between retirement plans. To do so, he or she must complete the forms required by CRA.

The table below will help you find the forms required to transfer into and/or out of retirement plans; these can be found on the VIP Room at manulife.ca.

Transfer into a Manulife retirement plan FROM:	CRA form required
RRSP	T2033
A Registered Pension Plan (RPP)	T2151
A retiring allowance	No form – a written request is required
A Deferred Profit Sharing Plan (DPSP)	T2151
RRSP – refund of premiums on death of a spouse	No form – a written request is required
Tax-Free Savings Account (TFSA)	No CRA form

Transfer out of a Manulife retirement plan TO:	CRA form required
Purchase an annuity	T2037
RRSP	T2033
A Registered Pension Plan (RPP)	T2151
A Registered Retirement Income Fund (RRIF)	T2033
Tax-Free Savings Account (TFSA)	No CRA form*

*** Upon Death**

The surviving spouse or common-law partner will have the option to transfer the funds to their own TFSA. They will be required to fill out the RC240 form which they can obtain by visiting the Canada Revenue Agency website at www.cra-arc.gc.ca.

Interfund transfers

Transfers between Manulife products do not require the use of CRA forms. However, if your members wish to make interfund transfers, they can do so by using the VIP Room for members or by calling 1-800-242-1704 to speak with one of our customer service representatives.

For more information, visit the CRA Website at www.cra-arc.gc.ca