

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%

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 more in assets than an RRSP

All of the above figures are based on 2019 prescribed assumptions

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*

An IPP can be established for someone with lower earnings

NEXT STEPS

Contact us by phone at **519-426-5160** or email planning@goodcas.com to receive a personal IPP quote.