common wealth

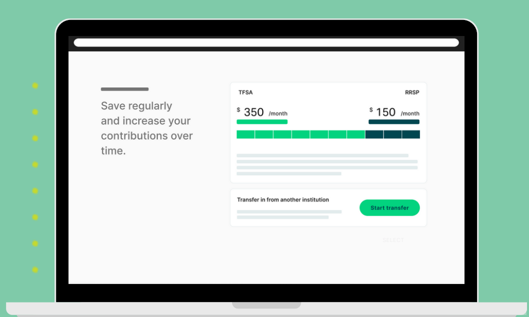
TFSA or RRSP

Where should you invest your money?

A Tax-Free Savings Account (TFSA) and Registered Retirement Savings Plan (RRSP) are both great ways to invest and grow your savings. Each option has contribution limits and tax benefits, with key differences that will help you decide where to save your money.

	TFSA	RRSP
	Best for income earners under $50k	**Best for income earners over $50k**
How much can I contribute?	$7,000 per year up to $95,000 total.* Must be 18 years of age, no income required.	18% of your income up to $31,560 per year.* No age limit but income is required.
Is it tax-deductible?	Contributions are not tax-deductible.	Contributions are tax-deductible.
Am I taxed when I withdraw funds?	No tax is paid when funds are withdrawn. There is no age limit when you must start withdrawing funds.	Tax is paid when you withdraw, typically during retirement when you are in a lower tax bracket. You must convert your RRSP to a RRIF and begin to withdraw at 71.
How are government benefits impacted as a moderate earner?	Moderate earners get 100% of the Guaranteed Income Supplement (GIS) benefits they qualify for when they withdraw from a TFSA.	Moderate earners who qualify for Guaranteed Income Supplement (GIS), lose 50 cents for every dollar they withdraw from an RRSP.

*Totals based on the 2024 tax year



Common Wealth seamlessly integrates both account types to support all income levels. It also provides intelligent, in-app suggestions that help you decide how to allocate your contributions to minimize taxes and maximize government benefits, so you can save more and retire happy!