

# THE NAVIGATOR

FANARA WEALTH MANAGEMENT  
RBC DOMINION SECURITIES



**TRALLEE FANARA, CFP**  
INVESTMENT ADVISOR  
Financial Planner

17 King St E  
Oshawa, ON  
L1H 7M9  
Tel: 905 434-3302  
Fax: 905 436-5068  
Toll Free: 800 267-1522  
trallee.fanara@rbc.com

[www.tralleefanara.com](http://www.tralleefanara.com)

## 2014 HANDY FINANCIAL PLANNING FACTS

The following is a summary of some common financial planning-related information that you can use as a handy reference. Any values noted below are for 2014.

Retirement	
Maximum CPP/QPP benefit at age 65	\$1,038.33 per month
Maximum CPP/QPP benefit at age 60 if born before 1954	CPP \$689.45 per month (33.6% max reduction) QPP \$726.83 per month (30% max reduction)
Maximum CPP/QPP benefit at age 60 if born after 1953	CPP \$689.45 per month (33.6% max reduction) QPP \$708.14 per month (31.8% max reduction)
Maximum CPP/QPP at age 70	\$1,474.43 per month (42% max increase)
Maximum CPP contribution – employer and employee	\$2,425.50 each annually
Maximum CPP contribution for self-employed	\$4,851.00 annually
YMPE – Yearly Maximum Pensionable Earnings	\$52,500
Maximum OAS benefit for Q1	\$551.54 per month
OAS clawback rate	\$0.15 for every \$1 of net income above \$71,592; the full OAS is eliminated at a net income of \$115,716 or higher
CANSIM rate	3.01% (minimum rate for provinces is still 6%)
RRSP – maximum annual deduction limit	\$23,820 for 2013 \$24,270 for 2014
RRSP – withholding tax on withdrawals by a resident of Quebec/rest of Canada respectively	21%/10% for amounts up to \$5,000 26%/20% for amounts \$5,000 – \$15,000 31%/30% for amounts over \$15,000
TFSA contribution room created on Jan. 1st	\$5,000 each year 2009-2012 \$5,500 each year 2013 - 2014



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## Education

Maximum annual RESP contribution	Unlimited annual up to lifetime maximum of \$50,000 per beneficiary
Annual RESP contribution for maximum CESG	20% of first \$2,500 per beneficiary = CESG up to \$500. <b>Plus</b> 20% of next \$2,500 per beneficiary if carryforward room is available = additional CESG up to \$500. Maximum annual CESG = \$1,000/year/beneficiary

## Tax

El – maximum annual premium	\$913.68 (\$767.88 in Quebec due to separate maternity and parental benefits)										
El – insured earnings	\$48,600										
Basic personal tax exemption	\$11,138 (base) \$1,671 (credit)										
Federal tax brackets and rates based on taxable income	<table> <tr> <th>Taxable income</th><th>Federal rate</th></tr> <tr> <td>\$0 – \$43,953</td><td>15%</td></tr> <tr> <td>\$43,954 – \$87,907</td><td>22%</td></tr> <tr> <td>\$87,908 – \$136,270</td><td>26%</td></tr> <tr> <td>\$136,271 – and over</td><td>29%</td></tr> </table>	Taxable income	Federal rate	\$0 – \$43,953	15%	\$43,954 – \$87,907	22%	\$87,908 – \$136,270	26%	\$136,271 – and over	29%
Taxable income	Federal rate										
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\$136,271 – and over	29%										
Eligible dividends (most public companies)	Gross up is 38%; taxable amount is 138% Federal tax credit is 15.0198% of taxable amount										
Other than eligible dividends	Gross up is 18%; taxable amount is 118% Federal tax credit is 11.0% of taxable amount										
Personal tax calculator website	<a href="http://www.ey.com/ca/en/services/tax/tax-calculators">http://www.ey.com/ca/en/services/tax/tax-calculators</a>										

## Government links

Canada Revenue Agency website	<a href="http://www.cra-arc.gc.ca/menu-e.html">www.cra-arc.gc.ca/menu-e.html</a>
Canada Revenue Agency General Help Line	1-800-959-8281
Phone number for CPP/OAS queries	1-800-277-9914 <a href="http://www.servicecanada.gc.ca/eng/common/contactus/index.shtml#cpp">http://www.servicecanada.gc.ca/eng/common/contactus/index.shtml#cpp</a>
Phone number for QPP queries	Régie des rentes: 1-800-463-5185 <a href="http://www.rrq.gouv.qc.ca/en/services/nous_joinre/Pages/nous_joinre.aspx">http://www.rrq.gouv.qc.ca/en/services/nous_joinre/Pages/nous_joinre.aspx</a>

*If you have any questions or require clarification of any of the issues discussed in this document, do not hesitate to discuss these with your advisor.*

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