

# Ferebee Wealth Management Spring / Summer 2019



Wealth Management  
Dominion Securities

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Ferebee Wealth Management  
RBC Dominion Securities Inc.

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## Federal Budget 2019

Below are highlights of the 2019 Federal Budget. The budget announced spending initiatives with a special focus on housing, skills for a changing job market, targeted measures for seniors, new support for zero-emission vehicles, steps towards implementing national pharmacare, and a commitment to bring high speed internet to every Canadian home and business.

### Housing Measures

#### First-Time Home Buyer Incentive

Eligible first-time home buyers who have the minimum down payment for an insured mortgage<sup>1</sup> may apply to finance a portion of their home purchase through a shared equity mortgage with CMHC.

#### Home Buyers' Plan

To provide first-time home buyers with greater access to their RRSPs the budget proposes to increase the HBP withdrawal limit to \$35,000 from \$25,000.

### Skills and Job measures

The budget purposes to introduce a new Canada Training Credit, a refundable tax credit, to cover up to half of eligible tuition associated with training.

The budget also proposes a new EI training benefit, to provide income support when an individual requires to take time off to train.

### Senior Measures

#### Additional types of Annuities in registered plans

New advanced life deferred annuities and variable payment life annuities will be eligible in 2020.

#### Automatic enrolment in CPP at age 70

Applying for Canada Pension plan benefit – the government will proactively enrol CPP contributors who are age 70 and older in 2020 but have not applied to receive their retirement benefit.

#### Guaranteed income supplement enhancements coming.

### Zero-emission vehicle measures

The government will provide funds to deploy new recharging and refueling stations in workplaces, public parking spots commercial and multi-residential buildings, and remote locations. Along with a purchase incentive of up to \$5000 for electric battery or hydrogen fuel cell vehicles. Businesses will also be able to write-off, for tax purposes the cost of qualifying vehicles in the year they are put into use.

For a full copy of the Federal Budget 2019: Key tax measures that have a direct impact on you please call or email Stephanie.

# 2019 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 **2019** unless stated otherwise.

## RETIREMENT

Maximum CPP/QPP benefit at age 65	\$1,154.58 per month	
Early CPP/QPP maximum benefit at age 60	\$738.93 per month (36% max reduction or 0.6% per month)	
Deferred CPP/QPP maximum benefit at age 70	\$1,639.50 per month (42% max increase or 0.7% per month)	
Max CPP/QPP contributions employer and employee	CPP \$2,748.90 each annually	
Maximum CPP/QPP contributions self-employed	CPP \$5,497.80 annually	
YMPE – Yearly Maximum Pensionable Earnings	\$57,400	
Maximum OAS benefit for Q1 at age 65	\$601.45 per month	
Deferred OAS maximum benefit for Q1 at age 70	\$817.97 per month (36% max increase or 0.6% per month)	
OAS clawback rate	\$0.15 for every \$1 of net income above \$77,580; full OAS is eliminated at a net income of \$125,696	
CANSIM rate	2.39%	
RRSP – maximum annual deduction limit	\$26,500 for 2019	\$26,230 for 2018
RRSP – withholding tax on withdrawals	10% for amounts up to \$5,000 20% for amounts over \$5,000 up to and including \$15,000 30% for amounts over \$15,000	
Annual TFSA contribution limits	\$5,000 each year 2009 – 2012 \$5,500 each year 2013 – 2014 \$10,000 for 2015 \$5,500 for 2016 – 2018 \$6,000 for 2019	
Maximum TFSA contribution limit since inception	\$63,500 from 2009 – 2019	

## 2019 Tax Rate Card

There were no proposed changes to personal income tax rates in the new federal budget

Lower limit	Taxable Income Upper limit	Tax on bottom of range	Rate on regular income	Rate on eligible dividends	Rate on non-eligible dividends	Rate on capital gains
\$0	\$40,707	-	20.06%	-	10.43%	10.03%
\$40,708	\$47,630	\$5,815	22.70%	-	13.47%	11.35%
\$47,631	\$81,416	\$7,386	28.20%	1.63%	19.80%	14.10%
\$81,417	\$93,476	\$16,914	31.00%	5.49%	23.02%	15.50%
\$93,477	\$95,259	\$20,653	32.79%	7.96%	25.07%	16.40%
\$95,260	\$113,506	\$21,237	38.29%	15.55%	31.40%	19.15%
\$113,507	\$147,667	\$28,224	40.70%	18.88%	34.17%	20.35%
\$147,668	\$153,900	\$42,128	43.70%	23.02%	37.62%	21.85%
\$153,901	\$210,371	\$44,582	45.80%	25.92%	40.04%	22.90%
\$210,372	And over	\$70,715	49.80%	31.44%	44.64%	24.90%

# Crisis or opportunity?

Staying invested over time has its rewards. But when it seems like the markets are in crisis, it's important to maintain perspective and stay focused on the long term and let history be your guide.

1. Maintain proper perspective

2. Stay focused on the long term

3. History can be a guide

## Staying invested over time has its rewards

The growth of \$10,000 from January 2000 to December 2017



The growth of \$10,000 since January 2000. An investment cannot be made directly in an index. Graph does not reflect transaction costs, investment management fees or taxes. If such costs and fees were reflected, returns would be lower. Past performance is not a guarantee of future results. Performance data as of December 31, 2017.

Source: RBC Global Asset Management Inc.

# Chicken Lettuce Wraps



## Ingredients:

- 1 tablespoon olive oil
- 1 pound ground chicken
- 2 cloves garlic, minced
- 1 onion, diced
- 1/4 cup hoisin sauce
- 2 tablespoons soy sauce
- 1 tablespoon rice wine vinegar
- 1 tablespoon freshly grated ginger
- 1 tablespoon Sriracha, optional
- 1 (8-ounce) can whole water chestnuts, drained and diced
- 2 green onions, thinly sliced
- Kosher salt and freshly ground black pepper, to taste
- 1 head butter lettuce

**Prep 5 mins ♦ Cook 20 mins ♦ Total 25 mins**

Serves 4

## INSTRUCTIONS

1. Heat olive oil in a saucepan over medium high heat. Add ground chicken and cook until browned, about 3-5 minutes, making sure to crumble the chicken as it cooks; drain excess fat.
2. Stir in garlic, onion, hoisin sauce, soy sauce, rice wine vinegar, ginger and Sriracha until onions have become translucent, about 1-2 minutes.
3. Stir in chestnuts and green onions until tender, about 1-2 minutes; season with salt and pepper, to taste.
4. To serve, spoon several tablespoons of the chicken mixture into the center of a lettuce leaf, taco-style.

## Natalie's Upcoming Schedule

Vancouver: April 15<sup>th</sup> – April 18<sup>th</sup>

Victoria: April 29<sup>th</sup> and April 30<sup>th</sup>

Terrace / Smithers – End of August

Natalie Holidays: July 29<sup>th</sup> – August 9<sup>th</sup>



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