

# For Canadians with disabilities

## Registered Disability Savings Plans (RDSPs)

### Looking for a secure financial future?

Look no further than a BMO Registered Disability Savings Plan. Discover why there is no better way to save and invest for your long-term financial security.

#### Incentives that pay you to save

To encourage contributions to an RDSP, the government is offering valuable incentives:

- Grants of up to an annual amount of \$3,500 and lifetime maximum of \$70,000
- Bonds of up to an annual amount of \$1,000 and lifetime maximum of \$20,000.

Note that grants and bonds are only available until the end of the calendar year in which the beneficiary reaches age 49.

#### Many ways to invest

You can increase the value of your RDSP by adding investments to your plan. With a BMO RDSP, you have access to a range of investment options to maximize the growth potential of your plan.

#### Tax advantages to help you build more

Similar to other registered plans, earnings grow tax-free until money is taken out of the RDSP, increasing your potential for growth.

#### Supplements your existing benefits

The RDSP is designed to enhance government benefits, not replace them. Income payments from an RDSP won't affect income-based federal government benefits and, in most provinces and territories, your eligibility for disability-related support programs.



#### Eligible for an RDSP?

To apply, you must be:

- eligible and approved for the federal Disability Tax Credit
- a Canadian resident
- under the age of 60

Tip



Take the first step in building a secure financial future and learn more about what an RDSP can do for you.

BMO Bank of Montreal: [www.bmo.com/rdsp](http://www.bmo.com/rdsp)

Canada Revenue Agency: [www.cra-arc.gc.ca/tx/ndvdl/tpcs/rdsp-reei/menu-eng.html](http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/rdsp-reei/menu-eng.html)

Human Resources and Skills Development Canada: [www.hrsdc.gc.ca/eng/disability\\_issues/disability\\_savings/index.shtml](http://www.hrsdc.gc.ca/eng/disability_issues/disability_savings/index.shtml)



Mutual Funds

## How to make the most of your RDSP

Contribute early and invest wisely. The earlier you put money into your RDSP and invest to maximize the potential for growth, the more you can expect to accumulate thanks to compounding returns and tax-deferred growth. With a BMO RDSP, you have access to a range of investment options to help with the long-term growth of your plan. By investing on a regular basis through pre-authorized savings you can steadily grow your RDSP balance.

### Maximize government incentives

Government incentives can add substantial value to your RDSP so plan your contributions to maximize the grants and bonds you receive.

If annual net income <sup>a</sup> is:	Earn the annual maximum incentive	On an annual contribution of:
\$25,356 or less	\$1,000 bond	No contribution required
Greater than \$25,356 and less than \$43,561 (no bond when income is \$43,561 or more)	Up to \$1,000 bond, prorated based on net income	No contribution required
\$87,123 or less	\$3,500 grant	\$1,500
Greater than \$87,123	\$1,000 grant	\$1,000

<sup>a</sup>Net Family Income from 2 years prior is used to assess the potential amount of grants or bonds the beneficiary can receive. Net Income of the parents is used until December 31 of the calendar year the beneficiary reaches age 18 and net family income of the beneficiary (and spouse, if applicable) effective with the calendar year the beneficiary reaches age 19. The government sets the income thresholds annually. Illustrated are 2013 income thresholds, based on 2011 net annual income.

### Be strategic when catching up

Beginning in 2008 and for a maximum of 10 years, unused grants and bonds can be carried forward until the end of the year in which the beneficiary turns 49. Depending on when you open an RDSP, you can catch up on unused bonds (no contributions required) up to an annual maximum of \$11,000 and unused grants (contributions required) for an annual maximum of \$10,500.

**Tip**

Arrange to make an automatic RDSP contribution – it will be easier on your budget and more effective for earning grants.

With attractive government incentives and tax-deferred growth, investing in an RDSP is an opportunity not to be missed.

**For more information on RDSPs, please contact your financial advisor or call the BMO Investment Centre at 1-800-665-7700.**



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