

# YOUR money in YOUR account is never subject to Canadian Taxes

## Tax Free Savings Account (TFSA)

To encourage Canadians to save over their lifetimes, the Canadian government implemented this account on January 1, 2009.

Using after-tax dollars, Canadians 18 or over (in provinces where the age of majority is 18) can contribute up to \$5,000 per year into a registered savings account, and are not taxed on the earnings.

Contribution room is created through:

- an allocation of \$5,000 per year;
- unused allocation from the previous year;
- any withdrawals made in the previous year.

The TFSA is not “just a savings account” in the usual sense of the word. Many investment options are eligible. Choose from these great Wainwright Credit Union options:

- TFSA Daily Interest Account
- 3-Year TFSA Investment Account
- 5-Year TFSA Investment Account

Our wholly owned subsidiary, PlanWright Financial, offers a multitude of additional TFSA investment options.

522-10 St., Wainwright  
tel 780 842 1370  
fax 789 842 1517

**PlanWright**  
FINANCIAL  
for your peace of mind

www.planwright.com

## How does the TFSA work?

- Contributions to a TFSA are not deductible for income tax purposes but investment income, including **interest, dividends, and capital gains earned** in a TFSA are not taxed, even when withdrawn.
- Unused TFSA contribution room can be carried forward to future years.
- Depending on your choice of TFSA product, you can withdraw funds from the TFSA at any time for any purpose, and the amount you withdraw creates the same amount of extra contribution room for the following year.
- Neither income earned in a TFSA nor the withdrawals you make, affects your eligibility for federal income-tested benefits and credits (e.g. child tax benefit, GST credit) nor do they reduce other benefits that are based on your income level (e.g. Old Age Security, EI benefits).
- Contributions to a spouse's TFSA are allowed and the contributing spouse is not subject to income attribution rules.
- TFSA assets can be transferred to a spouse upon death.

We have a Tax Free Savings Account that will meet **YOUR** needs!

### TFSA Daily Interest Account

Minimum investment: \$500, or \$100 with monthly contributions.  
Term: redeemable

### 3-year TFSA Investment Account

Minimum investment: \$1,000  
Term: 3-year non redeemable

### 5-year TFSA Investment Account

Minimum investment: \$1,000  
Term: 5-year non redeemable

- Watch for details on rates.
- You will receive a statement semi-annually, as you would with any other registered plan. The statement will show account details to June 30 and December 31 each year.

### Apply for your TFSA:

Contact any branch, and speak with a Member Service Representative today!

## Quick facts

- Withdrawals are allowed at any time for any purpose.
- When you make a withdrawal, contribution room is not lost, however, you need to wait until the next calendar year to re-contribute the money (e.g. you make your initial deposit of \$5,000 and then you withdraw \$2,500. Next year, you can contribute another \$5,000 PLUS the \$2,500 you withdrew.
- TFSA's are indexed annually, when warranted by

inflation, with contribution room rounded up to the nearest \$500.

- There is no limit to number of TFSA's you hold (but total annual contribution room does not change).
- You can name beneficiaries (such as your children) and funds from your TFSA can be paid out upon your death.
- Unlike RRSPs, there is no upper age limit.

Wainwright Credit Union and the Tax Free Savings Account - helping our members save for a lifetime...and a life.

# Save money... tax-free



## Wainwright Credit Union

## Tax Free Savings Account

The tax-free savings plan allows you to grow your savings, but does not require you to pay tax on what the account earns for you.

The plan is registered, and is proving to be the best thing since the federal government introduced RRSP's in 1975. The strength of the Tax Free Savings Account (TFSA) is in compounding investment returns and the tax breaks.

### What are YOU saving for?

- rainy day fund •
- vacation savings •
- education funding •
- retirement funding •
- tax savings strategy •

### How much can YOU save?

Check out our TFSA calculator by visiting our website, and clicking on this logo, right on the main page:

[www.wainwright-cu.com](http://www.wainwright-cu.com)

Financial Calculators

In the *Financial Calculators* section, in the *Retirement, Leisure, and Family* sections, check out the *planning tools* menu.

Our staff will be pleased to share the details of this exciting new opportunity with you and help you establish a savings plan that is tailored to your needs.

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Wainwright Branch  
780 842-3391

Chauvin Branch  
780 858-3751

Edgerton Branch  
780 755-4064

Hardisty Branch  
780 888-2883

Hughenden Branch  
780 856-6070

Irma Branch  
780 754-4001

Consort Agency  
403 577-3949

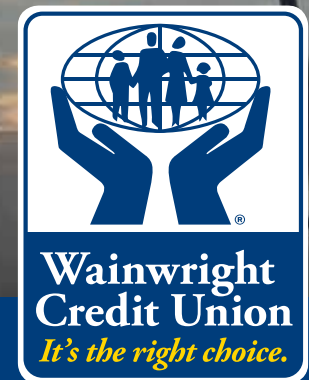
*So many ways to save!*

**TFSA**  
straight talk

Go to:  
Personal  
Services

Link to:  
TFSA

effective:  
May 25, 2011



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[www.wainwright-cu.com](http://www.wainwright-cu.com)