

# Gifts of Registered Property RRSPs and RRIFs

**IT'S SIMPLE**  
Your Legacy, Their Future

Registered Retirement Savings Plans (RRSPs) and Registered Retirement Income Funds (RRIFs) often unintentionally create large tax liabilities for a taxpayer in the year of death, since the entire amount of the plan is included in the taxpayer's income in one year. If you die without a surviving spouse or qualifying dependents, the full remaining value of your RRSP or RRIF will be added to your income in the year of death and your estate must pay the taxes for the full amount.

## Why consider this gift? The Benefits to You

Donating all or part of an RRSP or RRIF to a registered charity such as Children's Health Foundation is a very effective way to reduce the taxes payable by your estate.

A gift of RRSPs or RRIFs may enable you to fulfill dual goals of supporting your favourite charity while reducing the amount of taxes that your estate would otherwise have to pay. If the RRSP or RRIF has a registered charity as the direct beneficiary, the estate will receive a donation receipt for the entire value of the plan. The credit arising from this donation will offset the tax liability. As a result, the entire value inside an RRSP or RRIF can be given to a registered charity in the year of death with no negative tax consequences.

## Other Benefits

- **Peace of Mind** – the satisfaction of providing a future gift while retaining ownership and use of the fund during your lifetime.
- **Tax Benefit** - a charitable tax receipt for your estate helping to offset estate taxes and reduce probate fees.
- **Flexible** - the ability to donate and at the same time provide for your family by naming more than one beneficiary.



*"The entire team that oversaw her care, including neurosurgeons, nurses, social workers, child life specialists, occupational therapists, physical therapists, respiratory therapists, anesthesiologists, technicians and porters, were professional, compassionate and concerned for Mckenna as well as us."*

*Mckenna's Mom, Karen*

