

Are you divorced or separated?

SPLITTING YOUR CPP CREDITS UPON DIVORCE OR SEPARATION

The Canada Pension Plan (CPP) can provide benefits to you when you retire or if you become disabled, and to your survivors when you die. The amount is based on how long and how much you have contributed to the Plan and, in some cases, your age when you begin receiving the benefit.

The CPP keeps a record of the contributions you make over the years. These become your CPP credits. When you apply for a benefit, the CPP uses these credits to calculate how much you will receive. Generally, the more credits you have, the higher your CPP benefit will be, up to a maximum amount.

WHY SPLIT YOUR CPP CREDITS?

CPP credits built up by a couple during the time they lived together are considered to be assets. When a relationship ends, the credits can be divided equally in the same way that other assets are. This division is called “credit splitting.”

If you are the lower wage earner or if you were not employed during the time you lived together, credit splitting could increase the amount of your CPP benefits or make you eligible for CPP benefits for which you might not otherwise qualify. If you are the high wage earner, the amount of your credits will decrease and so will your CPP benefit amount.

HOW DOES CREDIT SPLITTING WORK?

The credits that you and your partner¹ earned during the time you lived together are combined and split equally when the relationship ends. As a result, the person with fewer credits—the lower earner—gets some of the credits earned by the other person—the higher earner.

Generally, a spousal agreement does not prevent a credit split. However, some agreements entered into before June 4, 1986, and some agreements in provinces that have a provincial law allowing couples to agree not to split CPP pension credits can prevent a credit split. Currently Quebec, Saskatchewan, British Columbia, and Alberta have such a law.

HOW DO YOU REQUEST A CREDIT SPLIT?

This depends on whether you are divorced or separated, and whether you were married or living in a common-law relationship.

If you are divorced and want to split your credits, Service Canada will require some information. You or someone acting for you must contact us to request a credit split. You will need to provide the following documents, as applicable:

- Proof of marriage, such as a marriage certificate
- Proof of divorce or legal annulment, such as court documents, the Petition of Divorce, Divorce Judgment, or Certificate of Divorce
- Any agreement that may prevent a credit split

Once we have received all of this information, your CPP credits **must** be split.

If you are separated or have left a common-law relationship, you or your former partner or someone acting for you must apply and provide certain documentation. (To obtain an application form, see “Contact us” at the end of this fact sheet.) An application can be withdrawn up to 60 days after we notify you that it has been approved.

¹ In this fact sheet, “partner” means either same-sex or opposite-sex common-law partner, or the person to whom you are married.

HOW COULD A CREDIT SPLIT AFFECT YOUR CPP BENEFITS?

The impact of a credit split can vary considerably, depending on your circumstances. The examples below illustrate two scenarios.

Example 1:

Christine and Daniel were married for 20 years. During those years, Christine stayed home to raise their three children while Daniel was employed. They divorced last year. Because she had no earnings, Christine had not paid into the CPP and would not have been entitled to any CPP benefits.

However, Christine asked us to split the CPP credits Daniel had earned during their marriage. At that time, she provided all the required information and documents.

Christine now has a CPP account with her own credits. Now she will be entitled to a CPP retirement pension. If she becomes disabled, she may also be entitled to a CPP disability benefit provided she meets the eligibility criteria. When she dies, her survivors may be entitled to CPP survivor benefits.

If Christine starts working and contributes to the CPP, her CPP account will grow and she will receive a larger benefit in the future.

Because of the credit split, Daniel's credits are now reduced, but he is still eligible for CPP benefits. If Daniel is already getting a CPP benefit, his benefit payments will continue, but they will be reduced. If he continues to work after the credit split, he will increase his own CPP credits.

Example 2:

Hiroko and Benoît lived together for 20 years. Hiroko worked outside the home and earned less than Benoît during the time they were together.

Their common-law relationship ended last year. At that time, Hiroko applied for a credit split, providing all of the required documents. The request was approved and their credits were split.

When Hiroko applies for a CPP benefit, her benefit calculation will be based on her earnings as well as those she received from the credit split.

Benoît's CPP credits were reduced with the credit split, but he is still eligible for CPP benefits. If Benoît is already getting a CPP benefit, his payments will continue, but they will be reduced. If he continues to work after the credit split, he will increase his own CPP credits.

These are just two examples. Each situation is different. For more information, contact us.

WHAT IF MY FORMER PARTNER DOES NOT AGREE WITH THE CREDIT SPLIT?

Credits are split depending mainly on how many years you and your partner lived together. If there is any disagreement about the number of years you lived together, both of you have the right to appeal the decision.

WHAT IF ONE OF YOU HAS ALSO CONTRIBUTED TO THE QUEBEC PENSION PLAN?

If you and/or your spouse or common-law partner contributed to the Quebec Pension Plan during the time you lived together, you may still be eligible for a credit split.

There are some differences between Canada Pension Plan and Quebec Pension Plan benefits, and in the way each Plan splits your credits. Please contact us for information.

CONTACT US

By telephone (toll-free)* **1-800-277-9914**
1-800-255-4786 (TTY)

On the Internet or by e-mail **servicecanada.gc.ca**

** Our lines are busiest at the beginning and end of the month. If your enquiry can wait, it's best to call at other times. Please have your social insurance number ready.*