

## Contributions to a United States Retirement Plan by a Commuter from Canada

Complete this form if you are a Canadian resident who commutes to the United States (U.S.) to perform employment services, and you are a member of a qualifying retirement plan of your employer in the U.S. Common qualifying U.S. retirement plans include 401(k) arrangements. For a complete list of qualifying U.S. retirement plans, go to [www.fin.gc.ca/treaties-conventions/us\\_annexb-eng.asp](http://www.fin.gc.ca/treaties-conventions/us_annexb-eng.asp) (paragraph 10).

**Note**

If you have taken up employment in Canada and you continue to participate in a U.S. retirement plan of your employer, see Form RC267, *Contributions to a United States Employer-Sponsored Retirement Plan*.

You can deduct your contributions to your U.S. retirement plan on your Canadian income tax return if **all** of the following conditions are met:

- (a) The remuneration you receive for the services you perform as an employee in the U.S. is taxable in the U.S.
- (b) Your employer is a resident of the U.S. or has a permanent establishment in the U.S.
- (c) The contributions are attributable to the services you perform as an employee in the U.S. for which you receive U.S. taxable remuneration and are made during the period you perform those services.

The amount you can deduct is limited to the amount of tax relief available in the U.S. In addition, the amount you can deduct is also limited to your registered retirement savings plan (RRSP) deduction room remaining after you deduct any RRSP contributions for the year.

Do not attach a statement of your contributions to your income tax return, but keep it in case we ask to see it.

Enter all amounts in Canadian dollars. To get the average exchange rates, go to [www.cra.gc.ca/exchangerates](http://www.cra.gc.ca/exchangerates).

### Calculating your deduction

Amount of your 2009 contributions to the U.S. retirement plan .....	_____		1
Amount of contributions that would be excluded from your income on your U.S. tax return .....	_____		2
Enter the amount from line 1 or line 2, whichever is less. ....	<b>5125</b>		3
2009 RRSP deduction limit .....	_____		4
Amount from line 10 of Schedule 7 plus the amount from line 209 of your return. ....	_____		5
Line 4 minus line 5 .....	=		6
Enter the amount from line 3 or line 6, whichever is less. ....	_____		7
Enter the amount from line 7 on <b>line 207</b> of your return.			

### Prescribed amount

An adjustment is required to reflect the fact that you accrued benefits in one of your employer's U.S. retirement plans in 2009. This prescribed amount will reduce your 2010 RRSP deduction limit.

Calculate your **2009** prescribed amount as follows:

Money purchase limit for 2009 .....	22 000		00	1
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**Complete line 2, line 3, or lines 4 to 6, depending on your plan.**

If you participated only in a **money purchase plan**:

Amount of employer contributions made on your behalf for 2009 .....	_____		2
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If you participated only in a **defined benefit plan**:

Your <b>resident compensation</b> in 2009* _____ x 10% = .....	_____		3
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If you participated in a **combination** money purchase and defined benefit plan (or in separate money purchase and defined benefit plans):

Amount of employer contributions made on your behalf for 2009 to money purchase provisions. ....	_____		4
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Your <b>resident compensation</b> in 2009* _____ x 10% = ...	_____		5
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Enter the amount from line 4 or line 5, whichever is greater. ....	_____		6
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Enter the amount from line 1 or the amount you entered on line 2, line 3, or line 6, whichever is less. ....	<b>5123</b>		7
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Enter the amount from line 7 on **line 206** of your return.

**Note**

\* Your **resident compensation** in 2009 is the total of your salaries, wages, and other amounts from your employment with the employer in question, excluding amounts that are exempt from income tax in Canada by virtue of the Canada-U.S. Tax Convention.