



Revenue
Canada

Revenu
Canada

Canada

T4RSP and T4RIF Guide

1998



Before You Start

Is this guide for you?

In this guide you will find information on how to complete the T4RSP and T4RIF information returns (which include the slips, the summary, and the segment forms). You can find samples of each of these forms in Appendix A and Appendix B.

This guide does not deal with every tax situation. However, Appendix F has a list of publications that explain certain situations that deal with registered retirement savings plans (RRSPs) and registered retirement income funds (RRIFs).

Unless we state otherwise, the sections, subsections, paragraphs, and subparagraphs mentioned in this guide refer to the *Income Tax Act*.

This guide uses plain language to explain the most common tax situations. If you need help after reading this guide, please contact your tax services office. The address and telephone numbers are listed under "Revenue Canada" in the Government of Canada section of your telephone book.

Forms and publications – Throughout the guide, we refer to other forms and publications. You can get any of these forms or publications from your tax services office or tax centre.

Many of our publications are also available on the Internet at:

www.rc.gc.ca

Publications for filing magnetic media are available on the Internet at:

<http://www.rc.gc.ca/magmedia>

Definition of spouse

This term applies to a person to whom, at the time, you were legally married, or with whom, at the time, you were living common-law. Living common-law applies when you live and have a relationship with a person of the opposite sex to whom any of the following applies. He or she:

- is the natural or adoptive parent (legal or in fact) of your child;
- has been living with you for at least 12 continuous months, or
- lived with you previously for at least 12 continuous months and you are living together again.

The above includes any period that you were separated for less than 90 days because of a breakdown in the relationship.

What's New for 1998?

This guide includes proposed income tax changes that had been announced but were not law at the time of printing. They are boxed in red throughout this guide.

- **1998 Ice storm** – As a result of the ice storm in early 1998, you may have modified your method of issuing RRSP receipts because we asked you to issue separate receipts for contributions made from March 3 to March 31, 1998. If this is the case, ensure that these contributions are not included on the receipts you issue for the remaining nine months of 1998.
- **Filing carbon-loaded slips** – Send the original information returns to the Ottawa Tax Centre, 875 Heron Road, Ottawa ON K1A 1G9.
- **Amended slips** – If you need to send us amended slips, send them to your tax centre. We have set new tax centre boundaries. Check the list on page 5 as your tax centre may have changed since last year.

- **Form T2033, Direct Transfer Under Paragraph 146(16)(a) or 146.3(2)(e)** – The requirement that transfers of property from a RRIF be made in prescribed form has been removed. Therefore, use of Form T2033 is no longer mandatory. For more information, see Appendix E on page 27.
- **Lifelong Learning Plan (LLP)** – Under proposed changes, starting in 1999, eligible individuals can make tax-free withdrawals from their RRSPs to finance full-time training or education for themselves or their spouse. These withdrawals will have to be reported on a T4RSP slip. We will revise the T4RSP slip in 1999. A separate guide entitled *Lifelong Learning Plan (LLP)* outlining the rules of this new plan is expected to be available from your tax services office in December 1998.
- **Terminology** – Starting in 1998, we no longer refer to the word Supplementary for T4RSP and T4RIF slips, or for any other information slips.
- **Modifications to slips** – Since there were no technical modifications to the T4RSP and T4RIF slips for 1998, you can use the 1997 versions.

Privacy Act – Under the *Privacy Act*, we can only use the information provided on the T4RSP and T4RIF information returns and the related forms for the purposes authorized by law.

La version française de cette publication est intitulée *Guide T4RSP et T4RIF*.

Table of Contents

	Page		Page
Chapter 1 – General Information	4	Chapter 4 – Death of an Annuitant Under an RRSP	
The T4RSP and T4RIF information returns	4	or RRIF	12
Payers (issuers or carriers) who have to file an		Deceased annuitant – Unmatured RRSPs	12
information return.....	4	Deceased annuitant – Matured RRSPs.....	15
Penalties, interest, and use of the social insurance		Deceased RRIF annuitant	15
number (SIN)	5	Chapter 5 – Payments to Non-Residents of Canada	17
Maturity of an RRSP	6	Appendix A – Samples of T4RSP Forms	19
Chapter 2 – How to Complete the T4RSP		Appendix B – Samples of T4RIF Forms	21
and T4RIF slips	6	Appendix C – Calculating of the Eligible Amount	
The T4RSP slip.....	6	of a Designated Benefit.....	24
The T4RIF slip.....	9	Appendix D – Minimum Amount From a RRIF.....	25
Chapter 3 – How to Complete the T4RSP and T4RIF		Appendix E – Information for Transfers of Funds.....	27
Summary and Segment Forms	11	Appendix F – References	29
The T4RSP and T4RIF Summary forms.....	11		
The T4RSP and T4RIF Segment forms.....	12		

Chapter 1 – General Information

The T4RSP and T4RIF information returns

Use the T4RSP and T4RIF information returns to report amounts from an RRSP or a RRIF that residents of Canada either have to include in, or can deduct from, their income. For information about payments to non-residents of Canada, see Chapter 5 on page 17.

The T4RSP and T4RIF information returns have two parts: the summary form and related slips. A return may also include segment forms.

Slip – This slip is a four-part form you use to report amounts that an individual has to report on their income tax return. For information on how to complete the T4RSP and the T4RIF slips, see Chapter 2 on page 6. You can find a sample of the T4RSP and T4RIF slips on page 21.

Summary form – This form is a three-part form you use to record the total of the amounts you reported on all related slips. For information on how to complete the summary form, see “The T4RSP and T4RIF Summary forms” on page 11. You can find a sample of the T4RSP Summary form on page 19 and a sample of the T4RIF Summary form on page 22.

Segment form – This form is a single-copy form you use to help balance the amounts you reported on the slips with the totals on the summary form. For information on how to complete the segment form, see “The T4RSP and T4RIF Segment forms” on page 12. You can find a sample of the T4RSP Segment form on page 20 and the T4RIF Segment form on page 23.

Payers (issuers or carriers) who have to file an information return

You have to file an information return to report the following amounts you paid or are considered to have paid to residents of Canada:

- taxable benefits paid in the year to the annuitant;
- taxable benefits paid in the year to the beneficiaries when the annuitant dies;
- taxable benefits that the annuitant is considered to have received in the year;
- other taxable income amounts or allowable deductions in the year;
- the fair market value (FMV) of all property of an RRSP just before it became an amended plan under subsection 146(12); and
- the FMV of all property of the fund just before that RRIF became an amended fund under subsection 146.3(11).

Fair market value (FMV) – This is usually the highest dollar value you can get for your property in an open and unrestricted market between a willing buyer and a willing seller who are acting independently of each other.

Filing on magnetic media

We encourage you to file your T4RSP and T4RIF information returns on magnetic tape or diskette. Filing on magnetic media will save you time and will simplify the requirements if you create customized forms.

If you receive our approval to file your information returns on magnetic media, **do not** submit a paper copy of the summary form or slips.

For more information, read the 1998 version of our guide called *Computer Specifications for Data Filed on Magnetic Media – T5, T5008, T4RSP, T4RIF, NR4, and T3*, or contact us at the address or telephone number listed below:

Magnetic Media Processing Unit
Ottawa Tax Centre
Revenue Canada
~~875 Heron Road~~
Ottawa ON K1A 1A2

1-800-665-5164 (toll free)

Computer-printed (customized) forms

You or a service agency can print the T4RSP and T4RIF forms using a computer. However, you have to get written approval from us before you can issue your own computer-printed forms.

Send your proposed samples to:

Publishing Directorate
Revenue Canada
17th floor
Albion Tower
25 Nicholas Street
Ottawa ON K1A 0L5

You will receive either our written approval or a request to make changes to the forms before we approve them.

For more information, get Information Circular 97-2, *Customized Forms – Returns and Information Slips*.

When to file your information returns

You have to send your T4RSP and T4RIF information returns to Revenue Canada, and deliver copies 2 and 3 of the slips to the beneficiaries **before March 1** of the year after the calendar year for which you have to file the returns.

If you discontinue your business or activity, within 30 days of its end you have to file a return for any year or part-year for which you have not previously filed.

Where to send your information returns

Filing on magnetic media

If you file your information returns on magnetic media, send your return to the Ottawa Tax Centre at the address shown above in the section “Filing on magnetic media.” Send us the following:

- the tapes or diskettes; and
- Form T619, *Magnetic Media Transmittal*.

Send copies 2 and 3 of the slips to the beneficiaries (the tapes or diskettes replace copy 1).

You have to send any **amended** or **corrected** returns to the tax centre that serves your area. For more information, see "How to correct your information return" on this page.

Filing carbon-loaded slips

If you file your information returns on paper, send the original returns to:

Ottawa Tax Centre
~~875 Heron Road~~
~~Ottawa ON K1A 1G9~~

Send us the following:

- copies 1 and 2 of the summary;
- copy 1 of all slips; and
- any segment forms.

Send copies 2 and 3 of the slips to the beneficiaries. Keep the working copy of the completed summary form for your records.

Note

You do not have to keep copy 4 of the slips in your files. However, you have to keep the information you used to prepare the slips in an accessible and readable format. For more information, get Information Circular 78-10, *Books and Records Retention/Destruction*.

Filing slips for laser printers

If you use the slips for laser printers, see the instructions on the back of the slip.

How to correct your information return

If you discover that you made an error in preparing your information return after sending it to us, send a letter explaining the error along with the necessary slips, as explained below, to the appropriate tax centre. Check the list on this page as your tax centre may have changed since last year.

Even if you sent the original information return on magnetic media, you have to file any amended or cancelled slips on paper.

Do not prepare amended or cancelled segment forms.

Amended slips – If you change data on a slip, enter the same data that was on the original slip, except for the boxes you are changing. Print the word **AMENDED** at the top of the revised slip.

Cancelled slips – If you issued a slip by mistake and you want to cancel it, send another slip with the same data as you reported on the original. Print the word **CANCELLED** at the top of the slip.

Duplicate slips – If you issue a slip to replace one that the beneficiary lost or destroyed, **do not send us a copy**. Print the word **DUPLICATE** at the top of the replacement slip you are sending to the beneficiary.

Addresses of tax centres

Filers served by the tax services offices on the left side of the following list should communicate with the office shown on the left.

Tax services office	Office
Bathurst, Halifax, Kingston, Moncton, Newfoundland and Labrador, Peterborough, Saint John, St. Catharines, and Sydney	St. John's Tax Centre St. John's NF A1B 3Z1
Chicoutimi, Montérégie-Rive-Sud, Outaouais, Québec, Rimouski, and Trois-Rivières	Jonquière Tax Centre Jonquière QC G7S 5J1
Laval, Montréal, Ottawa, Rouyn Noranda, Sherbrooke, and Sudbury (Northeastern Ontario * only)	Shawinigan-Sud Tax Centre Shawinigan-Sud QC G9N 7S6
Belleville, Charlottetown, Hamilton, Kitchener/Waterloo	Summerside Tax Centre Summerside PEI C1N 6A2
Toronto Centre, Toronto East, Toronto North, Toronto West, and Sudbury (Sudbury/Nickel Belt ** only)	Sudbury Tax Services Office Sudbury ON P3A 5C1
Calgary, Edmonton, London, Saskatoon, Thunder Bay, Windsor, and Winnipeg	Winnipeg Tax Centre Winnipeg MB R3C 3M2
Burnaby-Fraser, Northern B.C. and Yukon, Regina, Southern Interior B.C., Vancouver, and Vancouver Island	Surrey Tax Centre Surrey BC V3T 5E1
* Northeastern Ontario includes all areas outside of Sudbury/Nickel Belt that are served by the Sudbury Tax Services Office.	
** Sudbury/Nickel Belt area includes all postal codes beginning with P3A, P3B, P3C, P3E, P3G, P3L, P3N, P3P, P3Y, and postal codes beginning with P0M and ending with 1A0, 1B0, 1C0, 1E0, 1H0, 1J0, 1K0, 1L0, 1M0, 1N0, 1P0, 1R0, 1S0, 1T0, 1V0, 1W0, 1Y0, 2C0, 2E0, 2M0, 2R0, 2S0, 2X0, 2Y0, 3A0, 3B0, 3C0, 3E0, and 3H0.	

Penalties, interest, and use of the social insurance number (SIN)

Late-filing penalty

You have to file your T4RSP and T4RIF information returns with us **before March 1** of the year after the calendar year for which you have to file the returns.

If you file your return late, or distribute the slips to beneficiaries late, you are liable, for each failure, to a penalty of \$25 per day, ranging from a minimum of \$100 to a maximum of \$2,500.

Failure to file your information return

If you fail to file your information return as required under the *Income Tax Regulations*, you may be guilty of an offence. In addition to any other penalty, you are liable on summary conviction to:

- a fine ranging from a minimum of \$1,000 to a maximum of \$25,000; or
- a fine and imprisonment for up to 12 months.

Failure to provide information, including the SIN

Payer (issuer or carrier) – Anyone who prepares an information return has to make a reasonable effort to get the necessary information, including SINs, from the individuals who will receive the slips. Unless you make a reasonable effort to get this information, you will be liable to a \$100 penalty each time you do not provide the required information on a slip.

Beneficiary – Individuals who live or work in Canada have to give their SIN on request to any person who has to prepare an information return for them. If an individual does not have a SIN, he or she has 15 days from the day of the request to apply for one at any Human Resources Centre of Canada. After receiving a SIN, an individual has 15 days to provide it to the person responsible for preparing the information return. Individuals who for any reason do not comply with these requirements are liable to a \$100 penalty for each failure.

For more information, get Information Circular 82-2, *Social Insurance Number Legislation That Relates to the Preparation of Information Slips*.

Use of the SIN

If you have to file an information return, you cannot knowingly use, communicate, or allow an individual's SIN to be communicated, other than as required or authorized by law, or for the purpose for which the individual provided it.

If you use an individual's SIN for unauthorized purposes, you may be guilty of an offence and liable on summary conviction to a fine or to imprisonment, or both.

Interest on penalties

We charge interest, compounded daily at the prescribed rate, on the total amount of penalties and interest outstanding. Penalties and interest charges are payable to the Receiver General.

Cancellation or waiver of penalties and interest

We may reduce, cancel, or waive penalties and any interest if you file your information return late or if you distribute slips to recipients late because of circumstances beyond your control. If this occurs, include a letter with the return giving the reasons why the return or the slips are late. For more information, see Information Circular 92-2, *Guidelines for the Cancellation and Waiver of Interest and Penalties*.

Notice of Assessment

We will only issue a *Notice of Assessment* if we apply a penalty to your information return.

Maturity of an RRSP

Beginning in 1998, an annuitant can no longer have an unmaturing RRSP after the year the annuitant turns 69.

However, this does not affect an RRSP under which the retirement income is to be provided by way of an annuity

contract that was issued before March 6, 1996. In this case, the day on which the annuity payments would commence and the amount of each payment under the contract must be fixed and determined before March 6, 1996.

Note

Under certain circumstances, an insured RRSP or an RRSP that contains only an insurance contract may mature after the annuitant attains 69 years of age.

Advance notice

If an RRSP registered before 1997 does not prohibit the plan from maturing after the year in which the annuitant under the plan reaches 69 years of age, the issuer of the plan must notify the annuitant in writing, on or before the last day of June of the year the annuitant attains 69 years, that the RRSP will cease to exist as an RRSP after the end of that year. Advance notices must have been issued no later than June 30, 1998, to individuals who reach the age of 69 in 1998.

An issuer who fails to comply with the above requirement will be subject to a penalty under subsection 162(7) for each occurrence, **equal to the greater of:**

- \$100; or
- \$25 × the number of days (not more than 100 days) during which the failure continues.

Chapter 2 – How to Complete the T4RSP and T4RIF Slips

The T4RSP slip

Modifications for 1998 – Since there were no technical modifications to the T4RSP slip, you can use the 1997 version.

Lifelong Learning Plan (LLP) – Under proposed changes, starting in 1999, eligible individuals can make tax-free withdrawals from their RRSPs to finance full-time training or education for themselves or their spouse. These withdrawals will have to be reported on a T4RSP slip. We will revise the T4RSP slip in 1999. A separate guide entitled *Lifelong Learning Plan (LLP)* outlining the rules of this new plan is expected to be available from your tax services office in December 1998.

If you file your information return on magnetic media, **do not** submit the paper copy of the slips.

Report all the amounts on the T4RSP slips in Canadian currency.

For **each** T4RSP slip you prepare, provide the following information.

Beneficiary's name and address

Enter the last name first, in capital letters, followed by the first name and initials, and then the address. Enter the name of only one beneficiary on each slip.

Box 12 – Social insurance number

Enter the beneficiary's social insurance number (SIN).

You have to make a reasonable effort to get the beneficiary's SIN. However, when the beneficiary indicates that he or she does not have a SIN and either has to apply for one or has already applied for one, do not delay completing the information return beyond the required filing date. If the beneficiary has not provided his or her SIN by the time you have to file the information slip, leave this area blank.

For more information on SIN reporting, see the section "Failure to provide information, including the SIN" on page 6.

Box 14 – Contract number

Enter the contract number of the RRSP.

Box 60 – Name of payer (issuer) of plan

Enter the full name of the RRSP payer (issuer).

Box 61 – Business Number

Enter the Business Number of the RRSP payer (issuer). The Business Number is the number on the issuer's PD7A remittance form. The Business Number does not appear on copies 2 and 3 of the T4RSP slip.

Year

Enter the year on each T4RSP slip. Make sure the year you enter is the same as the year on the summary and segment forms.

Complete boxes 16 to 40, as they apply – The amount you enter in each of the boxes 16 to 34 is the gross amount of the payment, which is the amount before you deducted tax or made any other deductions.

Note

The costs associated with the redemption of units of a mutual fund are expenses of the RRSP. Where the net proceeds from the redemption are paid out of the RRSP, only the amount actually paid out of the RRSP should be reported on the T4RSP slip.

Box 16 – Annuity payments

Enter the amount of annuity payments you made in the year on or after maturity of the plan, or after the plan became an amended plan if this occurred before May 26, 1976. See "Box 26 – Amounts deemed received on deregistration" on page 8 for the meaning of the term amended plan. See also "Maturity of an RRSP" on page 6.

Box 18 – Refund of premiums to spouse

This is an amount you paid from an unmatured RRSP to the spouse of the RRSP annuitant because the annuitant died.

For deaths in 1993 and later years, the refund of premiums from a depositary and trustee RRSP can include income earned in the RRSP after the annuitant's date of death, up to December 31 of the year after the year of death.

Before you enter an amount in box 18, see the instructions in the section "Deceased annuitant – Unmatured RRSPs" on page 12 for information on situations that arise when an annuitant under an unmatured RRSP dies.

Box 20 – Refund of excess contributions

Enter the gross amount of excess contributions made in 1991, or a later year, that you refunded to the annuitant. If an annuitant asks for a refund of excess contributions he or she made after 1990 and gives you a completed Form T3012A, *Tax Deduction Waiver on the Refund of Your Undeducted RRSP Contributions Made in 19__*, that we have approved (Area 3), do not withhold tax from the withdrawal.

Note

If the annuitant asks for a refund of excess contributions and does not give you Form T3012A, you have to withhold tax on the withdrawal. Enter the amount withdrawn in box 22.

Box 22 – Withdrawal and commutation payments

Enter the following amounts:

- any amount the annuitant withdrew in the year before the plan matured; and
- any amount you paid to the annuitant in the year to commute fully or partially annuity payments under the plan.

A commutation payment is a fixed or lump-sum payment from an RRSP annuity that is equal to the current value of all or part of the future annuity payments.

Note:

Enter the amount of withdrawal or commutation net of fees such as redemption charges. Withhold tax on that net amount.

Do not report the following amounts:

- any withdrawals the annuitant made in 1998 for which you received a completed Form T1036, *Applying to Withdraw an Amount Under the Home Buyers' Plan in 1998*; and
- withdrawals for which you received an approved Form T3012A.

Boxes 24, 36, and 38

A spousal RRSP is any RRSP to which the annuitant's spouse had contributed, any RRSP that received payments or transfers of property from RRSPs to which the annuitant's spouse had contributed, or any RRSP that received payments or transfers of property from RRIFs to which the annuitant had transferred amounts from other spousal RRSPs.

For a spousal plan, print or type YES in box 24, the SIN of the contributor spouse in box 36, and the name of the contributor spouse in box 38 (last name first) if:

- there is an amount in box 20, 22, or 26; and

- the annuitant is less than 74 years of age at the end of 1998.

When you transfer property from or between spousal RRSPs and spousal RRFs, you have to keep track of the property no matter how often you transfer it.

For **all other situations**, print or type NO in box 24, and leave boxes 36 and 38 blank. This includes the following situations:

- at the time of the payment, the spouses were separated and living apart because of the breakdown of their relationship;
- the contributor spouse died during the year the payer made the payment or is considered to have made it; or
- at the time of the payment, either the annuitant or the contributor spouse was a non-resident.

For information on the circumstances under which spouses are considered to be separated, see the section "Definition of spouse" on page 2.

Note

If you entered YES in box 24, the annuitant should complete Form T2205, *Calculating Amounts From a Spousal RRSP or RRF to Include in Income for 19__*, to determine the amount that he or she and the contributor should include in income.

Box 26 – Amounts deemed received on deregistration

The terms of an RRSP can change after registration, or a new plan can be substituted for an old plan. If an RRSP changes and no longer satisfies the rules under which it was registered, the plan is no longer an RRSP. It becomes an amended plan under subsection 146(12), and the fair market value (FMV) of all property held by the plan just before the revision or substitution becomes taxable. In this situation, enter in box 26 the FMV of all the property of the plan just before it was revised or substituted. This is the only type of income you report in box 26. You will find the definition of "fair market value (FMV)" on page 4.

Box 28 – Other income or deductions

Although an annuitant has to include certain amounts in income, he or she can deduct other amounts. Calculate the income and deductions indicated below and enter the difference in box 28. If the amount you calculate is negative, enter it in brackets.

Note

You will find the definition of fair market value (FMV) on page 4.

Include the following amounts in the income of an annuitant of a trustee RRSP:

- the FMV of a non-qualified investment at the time of its acquisition, if the trustee acquired it during the year;
- the FMV of the property when it began to be used as security for a loan, if the trustee used any of the trust's property as security for a loan or allowed any of its property to be used as security for a loan during the year;

- the difference between the FMV of a property and its proceeds of disposition, if the trustee disposed of the property during the year and its proceeds of disposition were nil, or were less than its FMV when the trustee disposed of it; and
- the difference between the acquisition cost of the property and its FMV, if the trustee acquired the property during the year and its acquisition cost was greater than its FMV when it was acquired.

The annuitant of a trustee RRSP can deduct the following two amounts in calculating income.

- If the trustee disposed of a property during the year, and it was a non-qualified investment when it was acquired, the lesser of:
 - the FMV of the non-qualified property when it was acquired, if an issuer reported that amount as income of the annuitant; and
 - the proceeds of disposition of the non-qualified property.
- If the trustee used any of the property as security for a loan or allowed any of the property to be used as security for a loan, and the loan is extinguished during the year, the difference between:
 - the amount an issuer previously reported as the annuitant's income because the property was used as security for the loan; and
 - any loss incurred as a result of the property being used as security for the loan. When you calculate such a loss, do not use the interest part of any loan payments the RRSP trust made, or any decrease in value of the property used as security for the loan.

If the annuitant of a **matured RRSP** dies, you have to include in box 28 the part of an amount paid from the RRSP to a beneficiary, other than the deceased annuitant's spouse, that is more than the total of the following amounts:

- the part of the RRSP property that becomes receivable by the surviving spouse as a result of the annuitant's death; and
- the benefit the deceased annuitant is considered to have received just before death (amount reported in box 34).

If the annuitant of an **unmatured RRSP** dies, you may have to include in box 28 a part or the entire amount of income earned in the RRSP after the annuitant's date of death that was paid to another beneficiary. For information on situations that arise when an annuitant under an unmaturred RRSP dies, see "Deceased annuitant – Unmatured RRSPs" on page 12.

Box 30 – Income tax deducted

Enter the amount of income tax you deducted. Leave the box blank if you did not deduct income tax.

You have to withhold income tax from all payments (including withdrawals and commutation payments) made during the lifetime of the original annuitant, **other than:**

- periodic annuity payments;

- a refund of excess RRSP contributions for which the annuitant has given you an approved Form T3012A, *Tax Deduction Waiver on the Refund of Your Undeducted RRSP Contributions Made in 19__*; or
- a withdrawal for which the annuitant has given you a completed Form T1036, *Applying to Withdraw an Amount Under the Home Buyers' Plan in 1998*.

In addition, if a payment is made in the year as a result of the deregistration, you have to withhold tax from the fair market value of property of the plan just before the RRSP became an amended plan under subsection 146(12). If the payment is made after the year of deregistration, do not withhold tax.

Note

An individual who receives RRSP benefits can increase the amount of income tax that you deduct from his or her benefits. To do so, the individual has to complete and give you Form TD3, *Request for Income Tax Deduction on Non-Employment Income*.

Box 34 – Amounts deemed received on death

Matured RRSPs – Immediately before the time of death, we consider the annuitant under a matured RRSP to have received an amount equal to the FMV of all the property held by the RRSP at the time of death, minus the part of that amount that, because of the annuitant's death, the surviving spouse can receive.

Unmatured RRSPs – For deaths in 1993 and later years, we consider the annuitant under an unmatured RRSP to have received just before death an amount equal to the FMV of the RRSP property at the time of death.

Note

In certain situations, you may not have to issue a T4RSP slip in the deceased annuitant's name. Before you enter an amount in box 34, see the section "Deceased annuitant – Unmatured RRSPs" on page 12.

Box 40 – Tax-paid amount

For deaths occurring in 1993 and later years, you have to report in box 40 the tax-paid amount that you paid to certain beneficiaries. The legal representative needs this amount to determine the amount to report on the deceased annuitant's final tax return. This requirement applies only to trustee RRSPs.

Note

The tax-paid amount also applies to depositary RRSPs but do not report it in box 40 as it has to be reported on a T5 slip.

For more information on tax-paid amount, see the section "Tax-paid amount and after-tax amount" on page 13.

The T4RIF slip

Modifications for 1998 – Since there were no technical modifications to the T4RIF slip for 1998, you can use the 1997 version.

If you file your information returns on magnetic media, **do not** submit the paper copy of the slips.

Report all the amounts on the T4RIF slips in Canadian currency.

For **each** T4RIF slip you prepare, provide the following information.

Beneficiary's name and address

Enter the last name first, in capital letters, followed by the first name and initials, and then the complete address. You can only enter the name of one beneficiary on a T4RIF slip.

Box 12 – Social insurance number

Enter the beneficiary's social insurance number (SIN).

You have to make a reasonable effort to get the beneficiary's SIN. However, when the beneficiary indicates that he or she does not have a SIN and either has to apply for one or has already applied for one, do not delay completing the information return beyond the required filing date. If the beneficiary has not provided his or her SIN by the time you have to file an information slip, leave this area blank.

For more information on SIN reporting, see the section "Failure to provide information, including the SIN" on page 6.

Box 14 – Contract number

Enter the contract number of the RRIF.

Box 60 – Name of payer (carrier) of fund

Enter the full name of the RRIF payer (carrier).

Box 61 – Business Number

Enter the Business Number of the RRIF payer (carrier). The Business Number is the number on the carrier's PD7A remittance form. The Business Number does not appear on copies 2 and 3 of the T4RIF slip.

Year

Enter the year on each T4RIF slip. Make sure the year you enter is the same as the year on the summary and segment forms.

Note

Complete boxes 16 to 36, as they apply. The amount you enter in each of boxes 16 to 24 is the **gross** amount of the payment, which is the amount before you deducted tax or made any other deductions.

Box 16 – Taxable amounts

Enter the taxable amounts from the RRIF that you paid to an annuitant or to another beneficiary in the year. These amounts include:

- the minimum amount (i.e., the minimum payment you have to make out of the RRIF for the year – For information on how to calculate the minimum amount, see Appendix D on page 25) and any excess amount you paid to the annuitant. For information on the excess amount, see "Box 24 – Excess amount" on page 10;

- the payments that the spouse continues to receive as the successor annuitant after the previous annuitant dies (for more information, see “Spouse as successor annuitant” on page 15);
- the RRSP property that was transferred to a RRIF, then identified as excess contributions and refunded from the RRIF;
- the amounts you paid from the RRIF for undeducted past-service additional voluntary contributions that the annuitant had made to a registered pension plan; and
- the amounts you paid to the deceased annuitant’s spouse as a designated benefit.

The taxable amounts shown in box 16 **do not include**:

- the amounts considered to have been received by the deceased annuitant just before death;
- the amounts that the deceased annuitant’s child or grandchild has received or is considered to have received as a designated benefit from a RRIF; and
- for deaths in 1993 and later years, the income earned on RRIF property after the year that follows the year of death of the annuitant.

For more information about tax situations that can arise when an annuitant dies, see “Deceased RRIF annuitant” on page 15.

Box 18 – Amounts deemed received by the annuitant – Deceased

For deaths in 1993 and later years, the deceased annuitant of a RRIF is considered to have received just before death an amount equal to the fair market value of the RRIF property at the time of death.

Note

In certain situations, you may not have to issue a T4RIF slip in the deceased annuitant’s name. Before you enter an amount in box 18, see the section “Beneficiary of the RRIF property” on page 15.

Box 20 – Amounts deemed received by the annuitant – Deregistration

The terms of a RRIF contract can change after registration, or a new fund can be substituted. If a RRIF changes and no longer satisfies the requirements under which it was registered, the fund is no longer a RRIF. It becomes an amended fund under subsection 146.3(11), and the fair market value (FMV) of all the property held in the fund just before the revision or substitution is to be included as income of the annuitant.

In this situation, enter in box 20 the FMV of all the property of the fund just before it was revised or substituted. This is the only type of income you should show in box 20.

Note

You will find the definition of fair market value (FMV) on page 4.

Box 22 – Other income or deductions

Although an annuitant has to include certain amounts in income, he or she can deduct other amounts. Calculate the income and deductions indicated below and enter the difference in box 22. If the amount you calculate is negative, enter it in brackets.

Include the following amounts in the income of an annuitant of a trustee RRIF:

- the FMV of a non-qualified investment at the time of its acquisition, if the trustee acquired it during the year;
- the FMV of the property when it began to be used as security for a loan, if the trustee used any of the trust’s property as security for a loan or allowed any of its property to be used as security for a loan during the year;
- twice the difference between the FMV of a property and its proceeds of disposition, if the trustee disposed of the property during the year and the proceeds of disposition were nil, or were less than its FMV of the property when the trustee disposed of it; and
- twice the difference between the acquisition cost of the property and its FMV, if the trustee acquired the property during the year and its acquisition cost is greater than its fair market value of the property when it was acquired.

The annuitant of a trustee RRIF can deduct the following two amounts in calculating income.

- If the trustee disposed of a property during the year, and it was a non-qualified investment when it was acquired, the **lesser** of:
 - the FMV of the non-qualified property when it was acquired, if a carrier reported that amount as income of the annuitant; or
 - the proceeds of disposition of the non-qualified property.
- If the trustee used any of the property as security for a loan, or allowed any of the property to be used as security for a loan, and the loan is extinguished during the year, the **difference** between:
 - the amount a carrier previously reported as the annuitant’s income, because the property was used as security for the loan; and
 - any loss incurred as a result of the property being used as security for the loan. When you calculate such a loss, do not use the interest part of any loan payments the RRIF trust made, or any decrease in value of the property used as security for the loan.

If the annuitant under a RRIF dies, you may have to include in box 22 a part or the entire amount of the income earned in the RRIF after the annuitant’s date of death that was paid to another beneficiary. For information on situations that arise when an annuitant under a RRIF dies, see “Beneficiary of the RRIF property” on page 15.

Box 24 – Excess amount

The terms of a RRIF contract can allow for a payment that is over the minimum amount. This is an excess amount and

you should report it in box 24. You also include this amount in box 16.

If an annuitant elects to have payments from the RRIF continue to the spouse after the annuitant's death, the surviving spouse becomes the successor annuitant. For information on how to report the minimum and excess amounts when the annuitant dies, see "Spouse as successor annuitant" on page 15.

Boxes 26, 32, and 34

A **spousal RRIF** is any RRIF that received payments or transfers of property from a spousal RRSP. A spousal RRIF also includes a RRIF that received a payment or transfer of property from any of the annuitant's other spousal RRIFs.

When you transfer property from or between spousal RRSPs and spousal RRIFs, you have to keep track of the property no matter how often it is transferred.

For a **spousal RRIF**, print or type YES in box 26. In addition, enter the contributor spouse's SIN in box 32, and enter the contributor spouse's name in box 34 (last name first) if the annuitant is less than 74 years old at the end of 1998 and:

- the amount in box 20 is more than the minimum amount; or
- there is an amount in box 24.

For all other situations, print or type NO in box 26 and leave boxes 32 and 34 blank. This includes the following situations:

- when the payer (carrier) made the payment, the spouses were separated and living apart because of the breakdown of their relationship;
- the contributor spouse died during the year the payer (carrier) made the payment or is considered to have made it; or
- when the payer (carrier) made the payment, either the annuitant or the contributor spouse was a non-resident.

For information on the circumstances under which spouses are considered to be separated, see the section "Definition of spouse" on page 2.

Note

If you entered YES in box 26, the annuitant should complete Form T2205, *Calculating Amounts From a Spousal RRSP or RRIF to Include in Income for 19__*, to determine the amount that he or she and the contributor should include in income. However, if the annuitant receives only the minimum amount during the year, the payment is the annuitant's income and not the contributor's income.

Box 28 – Income tax deducted

Enter the amount of income tax you deducted. Leave the box blank if you did not deduct income tax.

You have to withhold income tax from the excess amount (amount reported in box 24) if you paid the amount during the lifetime of the original annuitant.

Do not withhold income tax from the minimum amount.

Note

An individual who receives RRIF benefits can increase the amount of income tax that you deduct from his or her benefits. To do so, a person has to complete and give you Form TD3, *Request for Income Tax Deduction on Non-Employment Income*.

Box 30 – Year, Month, Day

Enter the date of death as follows: YY MM DD. For example, if the date of death was June 9, 1998, you would enter 98 06 09.

Box 36 – Tax-paid amount

For deaths occurring in 1993 and later years, you have to report in box 36 the tax-paid amount that you paid to certain beneficiaries. The legal representative needs this amount to determine the amount to report on the deceased annuitant's final tax return. This requirement applies only to trustee RRIFs.

Note

The tax-paid amount also applies to depository RRIFs but do not report it in box 36 as it has to be reported on a T5 slip.

For more information on tax-paid amount, see the section "Tax-paid amount and after-tax amount" on page 16.

Chapter 3 – How to Complete the T4RSP and T4RIF Summary and Segment Forms

If you are filing your information returns on magnetic media, do not submit the paper copy of the summary forms. However, you still have to ensure that the total income tax deducted has been remitted. In addition, you do not have to use segment forms.

Report all the amounts on the summary and segment forms in Canadian currency.

The T4RSP and T4RIF Summary forms

Modifications for 1998 – Since there were no modifications to the T4RSP and T4RIF Summary forms, you can use the 1997 versions.

Complete a separate summary for each of your payer Business Numbers under which you have made RRSP or RRIF tax remittances.

The amounts to report on the summary are the total of the amounts in the corresponding boxes of the supporting slips. The totals have to agree with the amounts you reported in the boxes of the slips. If there are errors or omissions, we may contact you for more information.

For the year ending December 31, 19__ – Ensure that the year you enter is the same as the year on the slips and segment forms.

Business Number – Enter the Business Number from your PD7A remittance form.

Name and address of payer (issuer or carrier) of plan or fund – Enter your full name and address, including your postal code as shown on your PD7A remittance form.

Tax centre – Enter the name of the tax centre that serves your tax services office. See the back of the Summary for information.

TSO (Tax services office) code – Leave this area blank.

Total number of T4RSP or T4RIF slips filed (line 88) – Enter the total number of T4RSP or T4RIF slips included with the summary.

Income or deduction amounts – The amounts to report on the summary are the totals of the amounts in the corresponding boxes on the slips.

Remittances (line 82) – Enter the amount of income tax you remitted during the year.

Difference – Subtract the amount of the remittances from the income tax deducted. If there is no difference, enter “0.” We do not charge or refund a difference of less than \$2.

Overpayment (line 84) – If you overpaid taxes and you will not be filing any other return under this Business Number, enter the amount of the overpayment.

You may want an overpayment transferred or refunded. Include a written request that explains the reason for the overpayment and what you would like us to do.

Balance due (line 86) – Enter the amount of the balance due. Include a cheque or money order payable to the Receiver General for the amount.

An unpaid balance may be subject to a penalty. In addition, we will charge interest, compounded daily at the prescribed rate, on the outstanding amount.

Amount enclosed – Enter the amount enclosed with the Summary.

Person to contact about this information return (line 76) – Enter the name and telephone number of a person familiar with the records and operations of the financial institution. We may contact that person if we need more information.

Certification – An authorized officer of the financial institution has to complete and sign this area.

The T4RSP and T4RIF Segment forms

Modifications for 1998 – Since there were no modifications to the T4RSP and T4RIF Segment forms, you can use the 1997 versions.

If your T4RSP or T4RIF information return has more than 100 sheets of slips (300 slips), use the Segment form to help you balance the amounts on the slips with those on the Summary. All totals on the Segment forms have to agree with the totals on the slips. The Segment forms have instructions on how to complete them.

Note

The year you print on the Segment forms has to be the same as the year on the Summary and slips.

Chapter 4 – Death of an Annuitant Under an RRSP or RRIF

In this chapter we explain how to report amounts that you paid or that are considered to have been paid from an RRSP or a RRIF because the annuitant died. The method of reporting the amounts from an RRSP or a RRIF depends on the type. There are three types of RRSPs and RRIFs.

A **depository RRSP or RRIF** is generally one issued by a person who is, or is eligible to become, a member of the Canadian Payments Association or a credit union that is a shareholder or member of a body corporate referred to as a central for the purposes of the *Canadian Payments Association Act*, which can accept an individual's deposit in its branch or office in Canada.

A **trusteed RRSP or RRIF** is generally one issued by a corporation licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as trustee. Since most of the trust companies are also members of Canadian Payments Association, they may offer RRSPs that satisfy the meaning of a depository RRSP or RRIF. The terms and conditions of the legal document establishing the plan will determine whether it is a depository or a trusteed RRSP or RRIF. The trust is a separate person for income tax purposes.

An **insured RRSP or RRIF** is generally one issued by a person licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada an annuities business.

Note

The following instructions apply to deaths which occurred in 1993 and later years.

Deceased annuitant – Unmatured RRSPs

As a general rule, when an RRSP did not mature before the annuitant's death, the deceased annuitant is considered to have received, just before death, an amount equal to the fair market value of all property of the RRSP. This amount has to be included in the deceased annuitant's income. However, this amount may be reduced if it is paid to a **qualified beneficiary** as a refund of premiums. It can also be reduced if it is paid to the deceased annuitant's estate, and the deceased annuitant's legal representative and a qualified beneficiary elect to treat some or all of it as being paid to the qualified beneficiary. Only the spouse (or if there is no spouse, a financially dependent child or grandchild) can be a qualified beneficiary.

Note

The amount received as a refund of premiums by a qualified beneficiary can be transferred and a deduction under paragraph 60(l) can be claimed by the beneficiary.

Who is the beneficiary and how is the beneficiary designated?

As an RRSP issuer, before you pay out any amounts, you have to determine who is designated as the beneficiary. The

beneficiary may be designated in the RRSP contract or in the deceased annuitant's will.

Designation in RRSP contract – If the beneficiary is designated in the RRSP contract, the amounts are to be paid out to that person. If no beneficiary is named, or the estate is named, the amounts are to be paid to the estate.

Designation in will – The designation can also be made in the will. In this case, you generally make the payout to the estate. The legal representative is responsible for determining the amount each beneficiary will receive according to the will. The legal representative will also determine if the amount can be treated as a refund of premiums.

If the spouse (or if there is no spouse, a financially dependent child or grandchild) is designated as a beneficiary, that beneficiary and the legal representative of the estate can then jointly elect to treat part or all of the amounts paid to the estate as received by them as a refund of premiums. This allows the transfer of these funds to a permitted investment. To do so, the beneficiary and the legal representative of the estate complete Form 2019, *Death of an RRSP Annuitant – Refund of Premiums*.

Note

In the province of Quebec, a beneficiary cannot be designated in a RRSP contract. As stated in the *Quebec Civil Code*, the designation has to be made in the will. If you are satisfied with the designation of the beneficiary as provided in the will and the other conditions are met, you can issue the slips as if the designation was made in the RRSP contract.

Refund of premiums

In general terms, a refund of premiums is some or all of an amount paid out of an RRSP to a **qualified beneficiary** as a consequence of the annuitant's death. As indicated on page 12, a qualified beneficiary is the annuitant's spouse, or if the annuitant had no spouse at the time of death, the annuitant's financially dependent child or grandchild. It includes the amounts that are paid as an RRSP benefit but **does not** include a tax-paid amount.

RRSP benefit and exempt period

Amounts included in an RRSP payout after the date of death that represent income realized from the date of death up to December 31 of the year following the year of death will always be an RRSP benefit to the recipient of the payment regardless of when the amount is paid. This is the case whether the plan is a depositary, trustee or insured RRSP. If it is paid or considered to have been paid to a qualified beneficiary, it will always be a refund of premiums.

Exempt period – We refer to the period from the date of death to December 31 of the year following the year of death as the "exempt period." For example, if an annuitant dies on January 8, 1998, the exempt period will end on December 31, 1999.

The income earned or realized in the **exempt period** that is an RRSP benefit includes:

- interest;
- dividends; and

- capital gains and losses.

Note

Capital gains and losses include the non-taxable portion of the capital gain and the non-deductible portion of the capital losses realized or incurred after the end of the exempt period.

The amount earned **after** the exempt period includes the same elements mentioned in the paragraph above. It may be an RRSP benefit or an after-tax amount if the payout is delayed. The RRSP benefit will be a refund of premiums if it is paid out of an insured RRSP. Otherwise, the amount will be either a tax-paid amount, an after-tax amount, or a combination of both.

Tax-paid amount and after-tax amount

The tax-paid amount applies only to depositary and trustee RRSPs. For the purposes of this guide, generally, a tax-paid amount is the income earned in an RRSP **after** the end of the exempt period. It **does not** qualify as a refund of premiums.

Depositary RRSP

For a depositary RRSP, interest or income that accrued **after** the exempt period will always be a tax-paid amount. It is not an RRSP benefit or a refund of premiums.

Trustee RRSP

For a trustee RRSP, the income earned or realized after the exempt period that is paid to the beneficiary in the year that it is trust income, is an amount that the trust can claim a deduction for under paragraph 104(6)(a.2). If the deduction is claimed, this amount is a tax-paid amount, and an RRSP benefit, but not a refund of premiums.

Income earned or realized after the exempt period that is **not** paid to the beneficiary in the year that it is trust income is not an RRSP benefit or a tax-paid amount. The trustee has to file a T3R-IND, *Income Tax Return for Registered Retirement Savings Plan (RRSP)*, on behalf of the trust and pay tax on that income. In such cases, do not report the after-tax amount on any information slip. This after-tax amount is not an RRSP benefit, or a refund of premiums. For more information on trusts, contact your tax services office.

Insured RRSP

The tax-paid amount does not apply to insured RRSP. Therefore any payment to a qualified beneficiary from an insured RRSP is considered a refund of premiums regardless of when it is earned or paid.

How to issue slips

In this section, we explain how to issue the slips in various situations. We start with the most common situation where the spouse is the designated beneficiary in the RRSP contract. We then explain other situations.

Situation 1: Spouse is the beneficiary and there is a full transfer of property.

Most commonly, a spouse is named as beneficiary and all the following conditions apply:

- the spouse is named as beneficiary of **all** the RRSP property in the RRSP contract;

- you are making a direct transfer of the **entire** refund of premiums under paragraph 60(l) to the spouse's RRSP or RRIF, or to an issuer to buy an eligible annuity for the spouse; and
- all the RRSP property is distributed **before** the end of the exempt period.

In this case, issue a T4RSP slip in the name of the spouse for the year you complete the transfer. Enter the amount of the payout as a refund of premiums in box 18. This amount can include income earned in the RRSP after the date of death to the date of the transfer, since the amount is paid before the

end of the exempt period. **Do not** issue any slip in the name of the deceased.

Note

In the province of Quebec, a beneficiary cannot be designated in a RRSP contract. As stated in the *Quebec Civil Code*, the designation has to be made in the will. If you are satisfied with the designation of the beneficiary as provided in the will and the other conditions are met, you can issue the slip as if the designation was made in the RRSP contract.

The chart below indicates how to issue the T4RSP slips in other situations according to the type of RRSP.

Situation 2: The spouse is named as beneficiary in the RRSP contract but the conditions stated in situation 1 do not apply.		
Date of death (see note 4)	Exempt period ending December 31 of the year that follows the year of death.	After the exempt period
In all cases, report the FMV in box 34 of a T4RSP slip issued in the name of the deceased for the year of death. (see note 1)	In all cases, report income in box 18 of a T4RSP slip issued in the name of the spouse.	Depository RRSP Report income on a T5 slip issued in the name of the spouse (see note 2).
		Trusteed RRSP (see note 3) <ul style="list-style-type: none"> ■ Report the RRSP benefit in boxes 28 and 40 (as it is a tax-paid amount) of a T4RSP slip issued in the name of the spouse. ■ If the income is not an RRSP benefit, do not issue any information slip.
		Insured RRSP Report income in box 18 of a T4RSP slip issued in the name of the spouse.
Situation 3: All other situations – In all other situations, the treatment is similar. If there is a beneficiary designated in the RRSP contract, make the payout to the designated beneficiary. If not, make the payout to the estate.		
In all cases, report the FMV in box 34 of a T4RSP slip issued in the name of the deceased for the year of death. (see note 1)	In all cases, report income in box 28 of a T4RSP slip issued in the name of the beneficiary. (see note 1)	Depository RRSP Report income on a T5 slip issued in the name of the spouse (see note 2).
		Trusteed RRSP <ul style="list-style-type: none"> ■ Report the RRSP benefit in boxes 28 and 40 (as it is a tax-paid amount) of a T4RSP slip issued in the name of the beneficiary. ■ If the income is not an RRSP benefit, do not issue any information slip.
		Insured RRSP (see note 3) Report income in box 28 of a T4RSP slip issued in the name of the beneficiary (see note 1).
<p>Note 1: If the amount is paid to the spouse, the spouse and the legal representative may jointly file Form T2019, <i>Death of an RRSP Annuitant – Refund of Premiums</i>, to designate the amount to be reported by the spouse and by the deceased. If there is no spouse and the beneficiary is a financially dependent child or grandchild of the annuitant, that beneficiary and the legal representative can jointly file Form T2019.</p>		
<p>Note 2: For information on how and when to issue T5 slips, consult the <i>T5 Guide – Return of Investment Income</i>.</p>		
<p>Note 3: For more information on the tax-paid amount read the section called "Tax-paid amount and after-tax amount" on page 13.</p>		
<p>Note 4: After completing a T4RSP slip, you may find that part or all of an amount reported in box 34 may be a refund of premiums to a surviving spouse, or to a financially dependent child or grandchild. If this happens, do not issue an amended T4RSP slip. We routinely assess or reassess returns based on a completed Form T2019.</p>		

The shaded areas represent the income that can be considered as a refund of premiums if paid to a qualified beneficiary.

The shaded areas represent the income that can be considered as a refund of premiums if paid to a qualified beneficiary.

Deceased annuitant – Matured RRSPs

Spouse as beneficiary of the RRSP property

If the spouse of a deceased annuitant is the beneficiary under the terms of a matured RRSP, he or she becomes the annuitant of the RRSP. The RRSP continues, and you make the annuity payments to the spouse as the successor annuitant.

Report the amount of the annuity payments that you made to the successor annuitant in box 16 (not in box 34) of the T4RSP slip that you issue to the spouse.

Spouse as beneficiary of the estate

The deceased annuitant's legal representative may be entitled to receive amounts from the RRSP **for the benefit of the spouse**. If this is the case, the legal representative and the spouse can file a joint written election with us to treat amounts paid to the legal representative as being paid to the spouse. If the legal representative and the spouse make this election:

- we consider the spouse to be the annuitant under the plan; and
- we consider the spouse to have received all amounts from the plan as RRSP benefits.

For information on the meaning of the expression **for the benefit of the spouse**, see paragraph 8 of Interpretation Bulletin IT-500, *Registered Retirement Savings Plans – Death of an Annuitant*.

If you are satisfied that the deceased annuitant's legal representative and the surviving spouse have jointly filed an election with us, you should:

- issue the T4RSP slip to the surviving spouse, even if you make the payments to the deceased annuitant's legal representative; and
- report the annuity payments in box 16, not in box 34.

Other situations

In any other situation, including when you make payments to a child or grandchild beneficiary, you have to issue a T4RSP slip in the name of the deceased annuitant for the year of death. In box 34, enter the fair market value of all the property held by the plan at the time of the annuitant's death.

Note

You will find the definition of fair market value (FMV) on page 4.

Amounts you paid from the plan may be more than the amount receivable by the spouse and the amount reported in box 34 of the T4RSP slip you issued to the deceased annuitant. In this case, part or all of the excess amount is a benefit from the RRSP. Issue a T4RSP slip in the name of the beneficiary for the year of payment and enter the benefit in box 28.

For information on how to calculate the amount to report in box 28, see the section "Box 28 – Other income or deductions" on page 8.

Deceased RRIF annuitant

Spouse as successor annuitant

A RRIF annuitant can choose to have the RRIF payments continue to his or her spouse after death. If the terms of the RRIF contract or the deceased annuitant's will name the spouse as the successor annuitant, the spouse becomes the annuitant of the RRIF.

If the deceased annuitant does not name the spouse as the successor annuitant in either the RRIF contract or in a will, the surviving spouse can still become the successor annuitant. If the deceased's legal representative consents and the RRIF carrier agrees, the RRIF carrier can continue to make payments under the RRIF to the surviving spouse as the successor annuitant.

If you learn that the deceased annuitant's will names the surviving spouse as the successor annuitant, ask for a copy of the will, or that part of the will that names the surviving spouse as the successor annuitant.

Income paid to the original annuitant – If you paid part of the minimum amount for the year to the original annuitant, enter the amount in box 16 of the T4RIF slip that you issue to that annuitant. If you also paid an excess amount to the original annuitant, enter that amount in boxes 16 and 24 of the same slip.

Income paid to the successor – If you paid part of the minimum amount for the year to the spouse as the successor annuitant, enter that amount in box 16 of the T4RIF slip that you issue to the successor annuitant. If you also paid an excess amount to the successor annuitant, enter that amount in boxes 16 and 24 of the same slip.

Example

At the time of death, only \$4,000 of the minimum payment required for the year was paid to the original annuitant. The successor annuitant (surviving spouse) received the rest of the minimum payment (\$3,000) and an excess amount of \$1,500.

T4RIF slip for original annuitant:

- box 16 – \$4,000
- box 24 – blank

T4RIF slip for surviving spouse:

- box 16 – \$4,500
- box 24 – \$1,500

Note

If there is no successor annuitant and you did not pay all or a part of the minimum amount before the death of the annuitant, you do not have to issue a T4RIF slip for the minimum amount. It will be taken into consideration in calculating the designated benefit.

Beneficiary of the RRIF property

Instead of choosing to have the RRIF payments continue to his or her surviving spouse after death, the RRIF annuitant can name an individual in the RRIF contract as the beneficiary of any part of the RRIF property.

As a general rule, the deceased annuitant is considered to have received, just before death, an amount equal to the fair market value of all property of the RRIF at the time of death. This amount has to be included in the deceased annuitant's income. However, this amount may be reduced if it is paid to a **qualified beneficiary** as a designated benefit. It can also be reduced if it is paid to the deceased annuitant's estate, and the deceased annuitant's legal representative and a qualified beneficiary elect to treat some or all of it as being paid to the qualified beneficiary. Only the spouse (or if there is no spouse, a financially dependent child or grandchild) can be a qualified beneficiary.

Note

The amount received as a designated benefit by a qualified beneficiary can be transferred and a deduction under paragraph 60(l) can be claimed by the beneficiary.

Who is the beneficiary and how is the beneficiary designated?

As a RRIF issuer, before you pay out any amounts, you have to determine who is designated as the beneficiary. The beneficiary may be designated in the RRIF contract or in the deceased annuitant's will.

Designation in RRIF contract – If the beneficiary is designated in the RRIF contract, the amounts are to be paid out to that person. If no beneficiary is named, or the estate is named, the amounts are to be paid to the estate.

Designation in will – The designation can also be made in the will. In this case, you generally make the payout to the estate. The legal representative is responsible for determining the amount each beneficiary will receive according to the will. The legal representative will also determine if the amount can be considered as a designated benefit.

If the spouse (or if there is no spouse, a financially dependent child or grandchild) is designated as a beneficiary, that beneficiary and the legal representative of the estate can then jointly elect to treat part or all of the amounts paid to the estate as received by them as a designated benefit. This allows the transfer of these funds to a permitted investment. To do so, the beneficiary and the legal representative of the estate complete Form T1090, *Death of a RRIF Annuitant – Designated Benefit*.

Note

In the province of Quebec, a beneficiary cannot be designated in a RRIF contract. As stated in the *Quebec Civil Code*, the designation has to be made in the will. If you are satisfied with the designation of the beneficiary as provided in the will and the other conditions are met, you can issue the slip as if the designation was made in the RRIF contract.

Designated benefit

In general terms, a designated benefit is some or all of amount paid out of a RRIF as a consequence of the annuitant's death to a qualified beneficiary. As indicated above, a qualified beneficiary is the annuitant's spouse, or if the annuitant had no spouse at the time of death, the annuitant's financially dependent child or grandchild. It includes the amounts that are paid as a RRIF benefit but

does not include a tax-paid amount. A designated benefit is similar to a refund of premiums that you would pay from an unmatured RRSP when the annuitant dies.

RRIF benefit and exempt period

Amounts included in a RRIF payout after the date of death that represent income realized from the date of death up to December 31 of the year following the year of death will always be a RRIF benefit to the recipient of the payment regardless of when the amount is paid. This is the case whether the plan is a depositary, trustee or insured RRIF. If it is paid or considered to have been paid to a qualified beneficiary, it will always be a designated benefit.

Exempt period – We refer to the period from the date of death to December 31 of the year following the year of death as the "exempt period." For example, if an annuitant dies on January 8, 1998, the exempt period will end on December 31, 1999.

The income realized in the **exempt period** that is an RRIF benefit includes:

- interest;
- dividends; and
- capital gains and losses.

Note

Capital gains and losses include the non-taxable portion of the capital gain and the non-deductible portion of the capital losses realized or incurred after the end of the exempt period.

The amount earned **after** the exempt period includes the same elements mentioned in the paragraph above. It may be considered a RRIF benefit or an after-tax amount if the payout is delayed. The RRIF benefit will be a designated benefit if it is paid out of an insured RRIF; otherwise, the amount will be either a tax-paid amount, an after-tax amount, or a combination of both.

Tax-paid amount and after-tax amount

The tax-paid amount applies only to depositary and trustee RRIFs. For the purposes of this guide, generally, a tax-paid amount is the income earned in a RRIF **after** the end of the exempt period. It **does not** qualify as a designated benefit.

Depositary RRIF

For a depositary RRIF, interest or income that accrued **after** the exempt period will always be a tax-paid amount. It is not a RRIF benefit or a designated benefit.

Trusteed RRIF

For a trustee RRIF, the income earned or realized after the exempt period that is paid to the beneficiary in the year that it is trust income, is an amount that the trust can claim a deduction for under paragraph 104(6)(a.2). If the deduction is claimed, this amount is a tax-paid amount and a RRIF benefit, but not a designated benefit.

Income earned or realized after the exempt period that is **not** paid to the beneficiary in the year that it is trust income is not a RRIF benefit or a tax-paid amount. The trustee has

to file a T3RIF-IND, *Income Tax Return for Registered Retirement Income Fund (RRIF)*, on behalf of the trust and pay tax on that income. In such cases, do not report the after-tax amount on any information slip. This after-tax amount is not a RRIF benefit or a designated benefit. For more information on trusts, contact your tax services office.

Insured RRIF

The tax-paid amount does not apply to insured RRIF. Therefore any payment to a qualified beneficiary from an insured RRIF is considered as a designated benefit regardless of when it is earned or paid.

How to issue slips

In this section, we explain how to issue the slips in various situations. We start with the most common situation where the spouse is the designated beneficiary in the RRIF contract. We then explain other situations.

Situation 1: Spouse is the beneficiary and there is a full transfer of property.

Most commonly, a spouse is named as the beneficiary and all the following conditions apply:

- the spouse is named as beneficiary of **all** the RRIF property in the RRIF contract;
- you are making a direct transfer of the **entire** eligible amount of the designated benefit under paragraph 60(1) to the spouse's RRSP or RRIF, or to an issuer to buy an eligible annuity for the spouse; and
- **all the RRIF property is distributed before the end of the exempt period.**

In this case, issue a T4RIF slip in the name of the spouse for the year you complete the transfer. Enter the transfer amount in box 16. Calculate the eligible amount of a designated benefit using the chart in Schedule C on page 24 and enter it in box 24. This amount can include income earned in the RRIF after the date of death to the date of the transfer, since the amount is paid before the end of the exempt period. **Do not** issue any slip in the name of the deceased.

Note

In the province of Quebec, a beneficiary cannot be designated in a RRIF contract. As stated in the *Quebec Civil Code*, the designation has to be made in the will. If you are satisfied with the designation of the beneficiary as stated in the will and the other conditions are met, you can issue the slip as mentioned above.

The chart on the next page indicates how to issue the T4RIF slips in other situations according to the type of RRIF.

Chapter 5 – Payments to Non-Residents of Canada

You have to file an NR4 information return to report amounts paid or credited, or that are considered to be paid or credited, by residents of Canada to non-residents from:

- an RRSP or an amended plan as described under subsection 146(12); or
- a RRIF or an amended fund as described under subsection 146.3(11).

For information on how to complete an NR4 information return, see our publication called *Non-Resident Withholding Tax Guide*.

You have to withhold income tax of 25% (or the relevant percentage established by a tax convention or agreement) on amounts you paid or credited to non-residents. Complete the remittance part (Part 2) of Form NR76, *Non-Resident Tax Statement of Account*, and send it with the tax withheld to:

International Tax Services Office
Revenue Canada
2204 Walkley Road
Ottawa ON K1A 1A8

For more information, get Information Circular 76-12, *Applicable Rate of Part XIII Tax on Amounts Paid or Credited to Persons in Treaty Countries* (and its Special Release), and Information Circular 77-16, *Non-Resident Income Tax*.

If you, as a resident of Canada, pay or credit amounts to or for a non-resident of Canada but you do not withhold or do not remit the non-resident tax withheld, you are liable for the tax that you should have withheld or remitted, plus a penalty of 10% of that tax. If such a penalty of 10% has already been assessed during the year, we increase the penalty to 20% of the tax for any second and subsequent failures in the same calendar year if they were made knowingly or under circumstances amounting to gross negligence. We will charge interest, compounded daily at the prescribed rate, on the outstanding tax, penalties, and interest.

Penalties and interest charges are payable to the Receiver General.

You do not have to withhold non-resident income tax for anyone whom we have confirmed as a resident of Canada. If you ask us, we will give you, as a resident payer, written authorization not to withhold non-resident tax from the payments where applicable, such as when you are not sure if the payee is or is not a resident of Canada.

For more information, get Interpretation Bulletin IT-221, *Determination of an Individual's Residence Status*, and its Special Release.

Note

If you are transferring funds to or from a registered plan for a non-resident annuitant, see Chart 3 on page 28.

Situation 2: The spouse is named as beneficiary in the RRIF contract but the conditions stated in situation 1 do not apply.

Date of death (see note 4)	Exempt period ending December 31 of the year that follows the year of death.	After the exempt period
<p>In all cases, report the FMV in box 18 of a T4RIF slip issued in the name of the deceased for the year of death.</p> <p>(see note 1)</p>	<p>In all cases, report income in box 16 of a T4RIF slip issued in the name of the spouse.</p>	<p>Depositary RRIF Report income on a T5 slip issued in the name of the spouse (see note 2).</p> <p>Trusteed RRIF (see note 3)</p> <ul style="list-style-type: none"> ■ Report the RRIF benefit in boxes 16 and 36 (as it is a tax-paid amount) of a T4RIF slip issued in the name of the spouse. ■ If the income is not an RRIF benefit, do not issue any information slip. <p>Insured RRIF Report income in box 22 of a T4RIF slip issued in the name of the spouse.</p>

The shaded areas represent the income that can be considered as a designated benefit if paid to a qualified beneficiary.

Situation 3: All other situations – In all other situations, the treatment is similar. If there is a beneficiary designated in the RRIF contract, make the payout to the designated beneficiary. If not, make the payout to the estate.

<p>In all cases, report the FMV in box 18 of a T4RIF slip issued in the name of the deceased for the year of death.</p> <p>(see note 1)</p>	<p>In all cases, report income in box 22 of a T4RIF slip issued in the name of the beneficiary.</p> <p>(see note 1)</p>	<p>Depositary RRIF Report income on a T5 slip issued in the name of the beneficiary (see note 2).</p> <p>Trusteed RRIF</p> <ul style="list-style-type: none"> ■ Report the RRIF benefit in boxes 16 and 36 (as it is a tax-paid amount) of a T4RIF slip issued in the name of the beneficiary. ■ If the income is not an RRIF benefit, do not issue any information slip. <p>Insured RRIF (see note 3) Report income in box 22 of a T4RIF slip issued in the name of the beneficiary (see note 1).</p>
---	---	---

The shaded areas represent the income that can be considered as a designated benefit if paid to a qualified beneficiary.

Note 1: If the amount is paid to the spouse, the spouse and the legal representative may jointly file Form T1090, *Death of an RRIF Annuitant – Designated Benefit*, to designate the amount to be reported by the spouse and by the deceased. If there is no spouse and the beneficiary is a financially dependent child or grandchild of the annuitant, that beneficiary and the legal representative can jointly file Form T1090.

Note 2: For information on how and when to issue T5 slips, consult the *T5 Guide – Return of Investment Income*.

Note 3: For more information on the tax-paid amount read the section called “Tax-paid amount and after-tax amount” on page 16.

Note 4: After completing a T4RIF slip, you may find that part or all of an amount reported in box 18 may be a designated benefit to a surviving spouse, or to a financially dependent child or grandchild. If this happens, do not issue an amended T4RIF slip. We routinely assess or reassess returns based on a completed Form T1090.

Appendix C – Calculating the Eligible Amount of a Designated Benefit

Step 1 – Calculating the qualifying part of all designated benefits

1. Minimum amount for the year under the RRIF.	\$ _____	1
2. Total of amounts that the deceased annuitant received during the year from the RRIF and included as income under subsection 146.3(5).	_____	2
3. Total of amounts that beneficiaries include in income as designated benefits for the year from the RRIF under subsection 146.3(5).	_____	3
4. Enter amount from line 1.	\$ _____	4
5. Enter amount from line 1 or 2, whichever is less .	- _____	5
6. Line 4 minus line 5.	= _____	6
7. Qualifying part of all designated benefits:		
1 - Line 6 \$ _____		7
Line 3 \$ _____		

Step 2 – Calculating the eligible amount

8. Part of the designated benefit of the RRIF included in the individual's income under subsection 146.3(5).	_____	8
9. Enter the amount from line 7.	× _____	9
10. Multiply the amount from line 8 by the amount on line 9. This amount represents the eligible amount of the designated benefit. Report this amount in box 24 of the surviving spouse's T4RIF slip.	= _____	10

Example

The annuitant under a RRIF dies on August 18, 1998. The surviving spouse is named as the beneficiary of all the RRIF property in the RRIF contract. The fair market value (you will find the definition on page 4) of the RRIF property on August 18, 1998, is \$100,000. The minimum amount required to be paid from the RRIF in 1998 is \$8,000. However, only half (\$4,000) was paid to the annuitant before death. On November 21, 1998, \$104,000 was paid to the surviving spouse as a designated benefit from the RRIF. The surviving spouse would like to know how much of the \$104,000 can be transferred under paragraph 60(l) to a RRIF.

Step 1 – Calculating the qualifying part of all designated benefits

1. Minimum amount for the year under the RRIF.	\$ <u>8,000</u>	1
2. Total of amounts that the deceased annuitant received during the year from the RRIF and included as income under subsection 146.3(5).	<u>4,000</u>	2
3. Total of amounts that beneficiaries include in income as designated benefits for the year from the RRIF under subsection 146.3(5).	<u>104,000</u>	3
4. Enter amount from line 1.	\$ <u>8,000</u>	4
5. Enter amount from line 1 or 2, whichever is less .	- <u>4,000</u>	5
6. Line 4 minus line 5.	= <u>4,000</u>	6
7. Qualifying part of all designated benefits:		
1 - Line 6 \$ <u>4,000</u>		7
Line 3 \$ <u>104,000</u>		
	<u>0.9615</u>	

Step 2 – Calculating the eligible amount

8. Part of the designated benefit of the RRIF included in the individual's income under subsection 146.3(5).	<u>104,000</u>	8
9. Enter the amount from line 7.	× <u>0.9615</u>	9
10. Multiply the amount from line 8 by the amount on line 9. This amount represents the eligible amount of the designated benefit. Report this amount in box 24 of the surviving spouse's T4RIF slip.	= <u>99,996</u>	10

Appendix D – Minimum Amount From a RRIF

As carrier of a registered retirement income fund (RRIF), you have to pay a minimum amount to the annuitant every year after the one where the RRIF is set up. This amount is calculated by multiplying the fair market value (FMV) of the property held in the RRIF at the beginning of the year by a prescribed factor.

The prescribed factor you use depends on the age of the RRIF annuitant or, if at the time RRIF was being set up the annuitant elected to use the spouse's age because the spouse was younger, the age of the spouse. It also depends on when the RRIF was set up. The prescribed factor is determined by regulations or calculated by dividing 1 by the result of 90 minus the age (in whole years) of the annuitant or the spouse.

The following chart provides the prescribed factor you should use (shadowed areas indicate that the prescribed factor has been calculated).

Prescribed factors			
Age of the RRIF annuitant or the spouse	Pre-March 1986 ¹	Qualifying RRIFs ²	All other RRIFs ³
71	.0526	.0526	.0738
72	.0556	.0556	.0748
73	.0588	.0588	.0759
74	.0625	.0625	.0771
75	.0667	.0667	.0785
76	.0714	.0714	.0799
77	.0769	.0769	.0815
78	.0833	.0833	.0833
79	.0909	.0853	.0853
80	.1000	.0875	.0875
81	.1111	.0899	.0899
82	.1250	.0927	.0927
83	.1429	.0958	.0958
84	.1667	.0993	.0993
85	.2000	.1033	.1033
86	.2500	.1079	.1079
87	.3333	.1133	.1133
88	.5000	.1196	.1196
89	1.0000	.1271	.1271
90	.0000	.1362	.1362
91	.0000	.1473	.1473
92	.0000	.1612	.1612
93	.0000	.1792	.1792
94 or older	.0000	.2000	.2000

If the age is 70 years or younger, the prescribed factor is calculated as follows: 1 divided by (90 minus the age).

Note 1

You may continue to use the "Pre-March 1986" factor for a RRIF that was set up before 1986, unless it was revised or amended at any time, or it holds an annuity contract on the announcement date for all years that begin after the earliest of the following days:

- the announcement date; or
- the day on which the trust holds such a contract.

Note 2

You can use the "Qualifying RRIF" factor for a qualifying RRIF. A qualifying RRIF has never received any property as consideration, other than property transferred from another qualifying RRIF, and was set up during one of the following periods:

- before 1986 and has since been revised or amended;
- after 1986 and before 1993; or
- after 1993 with funds or property transferred directly from another qualifying RRIF.

Note 3

In all other cases, use the factor from the "All other RRIFs" column.

RRIFs that hold annuity contracts

Under proposed changes, starting in 1997, a trustee RRIF will be permitted to hold the following two types of annuity contracts as qualified investments.

Locked-in annuity contracts

In this guide, an annuity contract is one that a licensed annuities provider issues (this is a person licensed or otherwise authorized under the laws of Canada or a province to carry on an annuities business in Canada) and that meets the following conditions:

- The contract provides that periodic payments be made on an annual or more frequent basis.
- The RRIF trust is the only person entitled to receive the annuity payments under the contract (unless the trust disposes of the annuity).
- Usually, the time and the amount of any payment under the contract cannot vary and must be based on the life of the RRIF annuitant. However, where the annuitant has elected to have the minimum amount paid to the annuitant's spouse after the annuitant's death, the payments can be based on the joint lives of the annuitant and the spouse.
- The starting date for the periodic payments is no later than the end of the year that follows the year in which the contract was acquired by the trust.
- The annuity contract must be either:
 - a **life annuity** for the life of the RRIF annuitant that does not have a guaranteed period that runs past the end of the year in which the annuitant reaches 90 years of age. If the RRIF annuitant had a spouse who was younger than the annuitant when the contract was acquired, the life annuity can be for the joint lives of the annuitant and the spouse that does not have a guaranteed period that runs past the end of the year in which the annuitant's spouse attains 90 years of age.
 - a **term annuity** with a term equal to either 90 years minus the age of the RRIF annuitant at the time the periodic payments start, or 90 years minus the age of

the RRIF annuitant's spouse on that date if the spouse is younger than the annuitant.

- The periodic payments must be equal unless they have been adjusted for one of the following reasons:
 - in accordance with indexing;
 - to reflect an increase or reduction in the value of a specified group of assets constituting the assets of a separate and distinct account or fund maintained for a variable annuities business by a licensed annuity provider;
 - in accordance with a change in the interest rate on which the annuity is based, only if the new rate equals or approximates a generally available Canadian market interest rate;
 - to reflect increases in the Consumer Price Index, in whole or in part, as published by Statistics Canada under the authority of the *Statistics Act*;
 - to reflect an increase of the rate specified in the annuity contract, not more than 4% per year;
 - in accordance with an annual increase to the extent that the amount or rate of return that would have been earned on a pool of investment assets (available for purchase by the public and specified in the contract) exceeds an amount or rate specified in the plan and provides that no other increase may be made in the amount payable; or
 - as a consequence of a partial surrender of the right to receive periodic payments under the contract.

Other annuity contracts

These are contracts issued by a licensed annuities provider that meet all of the following conditions:

- The RRIF trust is the only person entitled to receive the annuity payments under the contract. This does not apply after RRIF trust disposes of the annuity.
- The annuity contract must give the annuitant an ongoing right to surrender the contract for an amount that, ignoring reasonable sales and administrative charges, approximates the amount that could be required to fund the future periodic payments under the contract.

Calculation of the minimum amount

Under proposed changes, calculate the minimum amount for trustee RRIFs that hold locked-in annuity contracts as follows:

FMV of all the property held by the RRIF at the beginning of the year (excluding any locked-in annuity contracts)		\$ _____	1
Enter the applicable prescribed factor	×	_____	2
Line 1 multiplied by line 2	=	\$ _____	3
Periodic payments to be paid from all locked-in annuity contracts held at the beginning of the year *	+	\$ _____	4
Minimum amount for the year: Line 3 plus line 4	=	\$ _____	5

* Include amounts that would have been received under a locked-in annuity contract held at the beginning of the year but were disposed of during the year. Do not include payments from a locked-in annuity contract acquired during the year.

The existing rules for the calculation of the minimum amount as described at the beginning of this appendix will continue to apply to a trustee RRIF as long as it does not acquire a locked-in annuity contract. The proposed calculation for a trustee RRIF that holds a locked-in annuity contract applies to any year that begins after 1997 and after the trust first holds a locked-in annuity contract.

Note

If a trustee RRIF **does not** hold a locked-in annuity contract at the beginning of the year, the minimum amount is determined by multiplying the FMV of all the property held by the RRIF at the beginning of the year by the appropriate prescribed factor.

Example 1

In 1998, Alex owned an RRSP that contained a locked-in annuity as well as other property. In December 1998, before his RRSP matures, he set up a trustee RRIF and transferred all of the property from his RRSP. The FMV of the other property at the beginning of January 1999 is \$75,000 and the locked-in annuity pays \$5,000 annually. Alex had no spouse when the RRIF was being set up and he is 71 years old at the beginning of 1999. The carrier calculates the minimum amount for 1999 as follows:

FMV of all the property held by the RRIF at the beginning of the year (excluding any locked-in annuity contracts)		\$75,000	1
Enter the applicable prescribed factor	×	.0738	2
Line 1 multiplied by line 2	=	\$ 5,535	3
Periodic payments to be paid from all locked-in annuity contracts held at the beginning of the year	+	\$ 5,000	4
Minimum amount for the year: Line 3 plus line 4	=	\$10,535	5

Appendix E – Information for Transfers of Funds

The following tables show the forms to use for direct transfers between plans. These are identified in the chart. For information about other transfers not covered in these charts, see to Interpretation Bulletin IT-528, *Transfers of Funds Between Registered Plans*.

The requirement that transfers of property from a RRIF be made in prescribed form has been removed. Therefore, the use of Form T2033 is no longer mandatory. This form is still available, but you can choose other methods for the transfer as long as you provide all of the relevant information.

If you do not use a form to transfer funds between registered plans, you can choose one of the following options:

- modify the official form to add all of the additional information you or your client need to report;
- develop your own form or facsimile for the type of transaction; or
- do the transfer electronically or by other means to eliminate the need for a paper copy.

Ensure that you provide all of the relevant information about the transfer, that the funds are properly transferred to the new plan, and that the client's needs are respected.

Chart 1 – Payments that you have to transfer directly						
Type of payment	Can be transferred to an:				Instructions	Form*
	RPP	RRSP	RRIF	Annuity		
Full or partial commutation payment from an RRSP	No	Yes	Yes	Yes	<ul style="list-style-type: none"> ■ Issue a T4RSP slip. ■ Issue a receipt. ■ Do not withhold tax if a Form T2030 is completed. 	T2030
Excess amount from a RRIF	No	Yes	Yes	Yes	<ul style="list-style-type: none"> ■ Issue a T4RIF slip. ■ Issue a receipt. ■ Do not withhold tax if a Form T2030 is completed. 	T2030
Payment from a RRIF of a deceased spouse in excess of minimum amount for the year	No	Yes	Yes	Yes	<ul style="list-style-type: none"> ■ The surviving spouse must be named as a beneficiary under the terms of the RRIF contract. ■ Issue a T4RIF slip. ■ Issue a receipt. ■ Do not withhold tax if a Form T2030 is completed. 	T2030
Property from an unmatured RRSP	Yes	Yes	Yes	No	<ul style="list-style-type: none"> ■ Do not issue a T4RSP slip. ■ Do not issue a receipt. ■ Do not withhold tax. 	T2033
Property from a RRIF	No	No	Yes	No	<ul style="list-style-type: none"> ■ Do not issue a T4RIF slip. ■ Do not issue a receipt. ■ Do not withhold tax. 	T2033
Lump-sum payment from an RPP	Yes	Yes	Yes	No	<ul style="list-style-type: none"> ■ A T4A slip will not be issued. ■ Do not issue a receipt. ■ Do not withhold tax. 	T2151
Lump-sum payment from a DPSP	Yes	Yes	No	No	<ul style="list-style-type: none"> ■ A T4PS slip will not be issued. ■ Do not issue a receipt. ■ Do not withhold tax. ■ In some situations, may also be transferred to a DPSP. 	T2151

* These forms can be used but they are not mandatory. For the titles, see page 29.

Chart 2 – Transferring payments received because of a breakdown of a marriage or relationship

In all cases, the recipient must be entitled to the payment under a decree, order, judgment of a court, or a written agreement relating to a division of property between that person and a former spouse in settlement of rights arising from the breakdown of their marriage or relationship. The parties must be living separate and apart at the time of the transfer due to a breakdown of their relationship.

Type of payment	Can be transferred to an:				Instructions	Form**
	RPP	RRSP	RRIF	Annuity		
Lump-sum payment from an RPP	Yes	Yes	Yes	No	<ul style="list-style-type: none"> ■ A T4A slip will not be issued. ■ Do not issue a receipt. ■ Do not withhold tax. 	T2151
Property from an unmatured RRSP	No	Yes*	Yes	No	<ul style="list-style-type: none"> ■ Do not issue a T4RSP slip. ■ Do not issue a receipt. ■ Do not withhold tax. 	T2220
Property from a RRIF	No	Yes	Yes	No	<ul style="list-style-type: none"> ■ Do not issue a T4RIF slip. ■ Do not issue a receipt. ■ Do not withhold tax. 	T2220

* For this type of transfer, Form T2220 has to be completed and sent to us.

** For the titles of these forms, see page 29.

Chart 3 – Payments that you transfer for non-residents of Canada

Type of payment	Can be transferred to an:				Instructions	Form**
	RPP	RRSP	RRIF	Annuity		
Lump-sum payment from an RPP	Yes	Yes	Yes	No	<ul style="list-style-type: none"> ■ Do not issue an NR4 slip. ■ Do not issue a receipt. ■ Do not withhold tax. 	NRTA1*
The eligible portion of a retiring allowance	Yes	Yes	No	No	<ul style="list-style-type: none"> ■ Do not issue an NR4 slip. ■ Do not issue a receipt. ■ Do not withhold tax. 	NRTA1*
Excess amounts from a RRIF	No	Yes	Yes	Yes	<ul style="list-style-type: none"> ■ Do not issue an NR4 slip. ■ Do not issue a receipt. ■ Do not withhold tax. 	NRTA1*
Lump-sum payment from a DPSP	Yes	Yes	No	No	<ul style="list-style-type: none"> ■ Do not issue an NR4 slip. ■ Do not issue a receipt. ■ Do not withhold tax. 	NRTA1*
Full or partial commutation of an RRSP annuity, or refund of premiums paid to the beneficiary if the annuitant died	No	Yes	Yes	Yes	<ul style="list-style-type: none"> ■ Do not issue an NR4 slip. ■ Do not issue a receipt. ■ Do not withhold tax. 	NRTA1*

* To waive the requirement to withhold non-resident tax, this form must be completed and sent to us.

** For the title of this form, see page 29.

Appendix F – References

You can get the current version of the following forms and publications from any tax services office or tax centre. Many of our publications are available on the Internet at:

www.rc.gc.ca

Forms

- NRTA1 *Authorization for Non-Resident Tax Exemption*
- T619 *Magnetic Media Transmittal*
- T1036 *Applying to Withdraw an Amount Under the Home Buyers' Plan in 1998*
- T1090 *Death of a RRIF Annuitant – Designated Benefit*
- T2019 *Death of an RRSP Annuitant – Refund of Premiums*
- T2030 *Direct Transfer Under Subparagraph 60(l)(v)*
- T2033 *Direct Transfer Under Paragraph 146(16)(a) or 146.3(2)(e)*
- T2037 *Notice of Purchase of Annuity With "Plan" Funds*
- T2151 *Direct Transfer of a Single Amount Under Subsection 147(19) or Section 147.3*
- T2205 *Calculating Amounts From a Spousal RRSP or RRIF to Include in Income for 19__*
- T2220 *Transfer From an RRSP or a RRIF to Another RRSP or RRIF on Marriage Breakdown*
- T3012A *Tax Deduction Waiver on the Refund of Your Undeducted RRSP Contributions Made in 19__*
- TD3 *Request for Income Tax Deduction on Non-Employment Income*

Interpretation Bulletins

- IT-221 *Determination of an Individual's Residence Status*
- IT-320 *Registered Retirement Savings Plans – Qualified Investments*
- IT-500 *Registered Retirement Savings Plans – Death of an Annuitant*
- IT-528 *Transfers of Funds Between Registered Plans*

Information Circulars

- 72-22 *Registered Retirement Savings Plans*
- 74-1 *Form T2037, Notice of Purchase of Annuity with "Plan" Funds*
- 76-12 *Applicable Rate of Part XIII Tax on Amounts Paid or Credited to Persons in Treaty Countries*
- 77-16 *Non-Resident Income Tax*
- 78-10 *Books and Records Retention/Destruction*
- 78-18 *Registered Retirement Income Funds*
- 82-2 *Social Insurance Number Legislation That Relates to the Preparation of Information Slips*
- 92-2 *Guidelines for the Cancellation and Waiver of Interest and Penalties*
- 97-2 *Customized Forms – Returns and Information Slips*

Guides

- RC4135 *Home Buyers' Plan (HBP) – For 1999 Participants*
- T4031 *Computer Specifications for Data Filed on Magnetic Media – T5, T5008, T4RSP, T4RIF, NR4, and T3*
- T4040 *RRSPs and Other Registered Plans for Retirement*
- T4061 *Non-Resident Withholding Tax Guide*

Pamphlets

- P150 *Home Buyers' Plan (HBP) – For 1998 Participants*