

IPP vs. RRSP

- The IPP has several advantages over a traditional RRSP
 - Contributions made by your company, not by yourself
 - Allowable contributions significantly higher
 - Additional contributions permitted to compensate for poor market performance
 - Contributions and operation costs fully deductible for your company
 - Possibility of significant additional contributions:
 - at the set-up of the plan in respect of years of service since incorporation, and
 - at retirement
 - Your spouse may participate in the same plan if he/she is employed by your company
 - At retirement, the pension may be paid from the IPP, or transferred to a RRSP
 - Fund better protected against creditors
- The investments are managed by the financial institution of your choice
- Illustration of accumulated funds at age 65¹

Maximum contributions to IPP and RRSP starting in 2024	IPP	RRSP
• From age 45	\$ 1,537,000	\$ 1 167,000
• From age 50	\$ 1,030,000	\$ 745,000

¹ Assumes the following: The participant earns the maximum allowable salary in 2024 (i.e. \$ 180,500), his salary will increase at the rate of 2.5 % per year until retirement and future returns on contributions will be 4.0 % per year. The calculation does not take into account the possible recognition of years of service since incorporation, nor the amounts already accumulated in your RRSP. These elements generally will increase the difference between the funds accumulated in the IPP and RRSP advantaging the IPP.

Want to know more

- We will prepare an illustration of what this type of plan can represent for you without any cost or obligation on your part

Who we are?

- Actuarial firm with over 40 years of experience in IPP management
- We can also assist you with any questions pertaining to other retirement plans for you or your employees



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