



8 –Family and individual plans



Family plan



Individual plan

About beneficiaries . . .

- | | |
|---|---|
| <ul style="list-style-type: none"> One or more beneficiaries are permitted. All beneficiaries must be connected by blood or adoption to the subscriber. The additional amount of Canada Education Savings Grant (Additional CESG) and the Canada Learning Bond (CLB) can only be paid if all beneficiaries of the Registered Education Savings Plan (RESP) are brothers and sisters. Beneficiaries must be under age 21 when named to the RESP or must have been beneficiaries under another family RESP immediately before being added to a family RESP. The CESG is paid into the RESP in the name of a beneficiary until December 31 in the year he/she turns 17 (if conditions surrounding the 16 and 17 year rules are met). CLB entitlements are available to a beneficiary under the age of 16 (requests can be made until the beneficiary's 21st birthday). CESG paid into an RESP may be used by any beneficiary of the RESP to a maximum of \$7,200 per beneficiary. CLB is paid into the RESP in the name of a specific beneficiary up to a maximum of \$2,000 per beneficiary – it <i>cannot</i> be used by other beneficiaries and must be accounted for separately for each beneficiary. Earnings on the Additional CESG and the CLB can be used by any beneficiary of a family plan in which all beneficiaries are brothers and sisters. | <ul style="list-style-type: none"> Only one beneficiary is permitted at any given time. No blood or adoption relationship to subscriber is required. The beneficiary can be named to the RESP at any age. CESG is paid into the RESP in the name of the beneficiary until December 31 in the year he/she turns 17 (if conditions surrounding the 16 and 17 year rules are met). CLB entitlements are available to the beneficiary under age 16 (requests can be made until the beneficiary's 21st birthday). CLB can be used only by the beneficiary for whom it was paid in the RESP. |
|---|---|

The CESG may have to be repaid if conditions for adding or replacing a beneficiary are not met.

About contributions . . .

- | | |
|--|---|
| <ul style="list-style-type: none"> Only made until a beneficiary turns 31 years of age. Remain the property of the subscriber. Can only be made for the current year and must comply with applicable limits. Must be made in the name of a specific beneficiary. | <ul style="list-style-type: none"> Not limited by the age of the beneficiary. Remain the property of the subscriber. Can only be made for the current year and must comply with applicable limits. |
|--|---|

Contributions to an RESP for a specific beneficiary must stop at the earliest of the following dates :

- | | |
|---|---|
| <ol style="list-style-type: none"> before the beneficiary attained 31 years of age. 31 years after the year the plan was entered into. if transfer(s) have been made to the plan, 31 years after the year of the earliest effective date(s) of the transferring / receiving plan(s). | <ol style="list-style-type: none"> 31 years after the year the plan was entered into. if transfer(s) have been made to the plan, 31 years after the year of the earliest effective date(s) of the transferring / receiving plan(s). |
|---|---|

About contribution withdrawals . . .

- Contributions can be withdrawn without tax implications.
- If contributions are withdrawn when no beneficiary in the RESP is eligible for an educational assistance payment (EAP), promoters must use formulas to determinate the amount of the CESG and the Saskatchewan Advantage Grant for Education Savings (SAGES) that must be repaid. See InfoCapsule 15 for more information.
- If the CESG-assisted contributions are withdrawn after March 22, 2004, all beneficiaries under the RESP are ineligible for the Additional CESG in the year of withdrawal and the *next two calendar years*.
- If contributions made prior to 1998 are withdrawn, all beneficiaries under the RESP are not eligible to receive the CESG in that year and for the *next two calendar years*.
- Withdrawals of contributions do not trigger the repayment of the CLB or the British Columbia Training and Education Savings Grant even when no beneficiary in the RESP is eligible for an EAP at the time of the withdrawal.

