

Instructions

On the line below the title of this form, enter the year the payment was made to the estate.

This form applies when amounts from a deceased annuitant's RRIF are paid to the annuitant's estate **and** a qualifying survivor is a beneficiary of the estate. The deceased annuitant's legal representative and the qualifying survivor can jointly file this form to designate all or part of the amounts the annuitant's estate received from the RRIF to have been received by the qualifying survivor as a designated benefit.

This form also applies when amounts from a deceased member's PRPP are paid to the member's estate **and** a qualifying survivor is a beneficiary of the estate. The deceased member's legal representative and the qualifying survivor can jointly file this form to designate all or part of the amounts the member's estate received, that the qualifying survivor is entitled to in satisfaction of their rights as a qualifying survivor to have been received by the qualifying survivor.

If filed, this election allows both the following:

- the annuitant's or member's legal representative to reduce the amount the annuitant or the member is considered to have received from the RRIF or the PRPP at the time of death. For PRPP's the reduction is equal to the amount jointly designated
- the qualifying survivor to transfer the payment to an eligible plan or fund, or to an issuer to buy an eligible annuity

Fill out a separate form for each RRIF or PRPP of the deceased, for each year for which payments are made out of the fund or plan to the annuitant's or the member's estate, and for each qualifying survivor.

The qualifying survivor has to attach a copy of this form to his or her income tax and benefit return for the year in which the payment being designated was paid to the deceased's estate. The part of the amount designated on line 4 that is not included in the deceased annuitant's or member's income for the year of death has to be reported by the qualifying survivor of a RRIF on line 11500, or the qualifying survivor of a PRPP on line 11500 or 13000 in the year the payment was paid to the deceased's estate.

If part of the amount on line 4 is included in the annuitant's or member's income, the annuitant's or member's legal representative can use this form to reduce the amount reported in the annuitant's or member's final income tax and benefit return. This form can be filed with the deceased's final income tax and benefit return, or filed later to ask for an adjustment to the income tax and benefit return. We recommend that the qualifying survivor and the legal representative make two copies of this form for their records.

For more information on the reduction to the deceased annuitant's or member's income and the transfer options available to a qualifying survivor, see Information Sheet RC4178, Death of a RRIF Annuitant or a PRPP Member.

Definitions

Annuitant – the person who is entitled to receive payments from a RRIF.

Designated amount – this is an amount that is paid or considered to have been paid from a deceased member's PRPP to a qualifying survivor.

Designated benefit – this is an amount that is paid or considered to have been paid from a deceased annuitant's RRIF to a qualifying survivor. This amount can be included in the income of the qualifying survivor who receives it instead of the income of the deceased annuitant or the annuitant's estate. The qualifying survivor who receives a designated benefit can defer paying tax on the eligible part of the benefit by transferring it to an eligible plan or fund, or to an issuer to buy an eligible annuity.

Member – an individual (other than a trust) who holds an account under the plan and who is entitled to receive payments from a PRPP.

Qualifying survivor – a qualifying survivor is the deceased annuitant's or member's spouse or common-law partner, or a financially dependent child or grandchild. A child or grandchild of a deceased annuitant or member is generally considered financially dependent on that annuitant or member at the time of death if, before that person's death, the child or grandchild ordinarily resided with and was dependent on the annuitant or member and they meet one of the following conditions:

- the child or grandchild's net income for the previous year (shown on line 23600 of their income tax and benefit return) was less than the basic personal amount (line 30000 from Schedule 1) for that previous year
- the child or grandchild is impaired in physical or mental functions and their net income for the previous year was equal to or less than the basic personal amount **plus** the disability amount (line 31600 from Schedule 1) for that previous year

If, before the annuitant's or member's death, the child or grandchild had ordinarily resided with and was dependent on the annuitant or member but was away from home to attend school, we still consider them to have resided with the annuitant or member.

If the child or grandchild's net income was more than the amounts described above, we will not consider them to be financially dependent on the annuitant or member at the time of death, unless they can establish the contrary. In such a case, the child or grandchild or the legal representative should submit a request in writing to the child or grandchild's tax services office outlining the reasons why we should consider them to be financially dependent on the annuitant or member at the time of death.