

This booklet gives only general information. You can seek further information from your banking institution, or from the Canada Revenue Agency website at:

<https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/registered-education-savings-plans-resps.html>



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Registered Education Savings Plan



**WHO CAN GET ONE, HOW TO GET ONE
AND WHAT ARE THE ADVANTAGES**

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FACT:

Higher education provides extensive benefits, including higher wages, better health, and can serve as a buffer against unemployment during economic downturns

Your children can use the money for tuition, books, lodging, apprenticeship programs, trade schools, travel to school, equipment, tools, or any educational cost to get through post-secondary education. They can access the money, once they are registered in an educational program.

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Post-Secondary Education is Critical to Success!

A RESP can be used by your child in relation to:

- apprenticeship programs
- CEGEPS (a publicly funded college in Quebec)
- colleges
- trade schools
- universities

A Registered Education Savings Plan (RESP) is a savings account for Education

Help your child prepare for their future

A Registered Education Savings Plan (RESP) account will help parents get a head start on saving for their child's education after high school. Your child needs a Registered Education Savings Plan (RESP) to receive government education grants.

Opening an RESP is easy and free.

To be eligible for the Canada Learning Bond of \$500 from the Government of Canada, your child must be under 16, with the RESP opened before their 16th birthday, and you must also receive the National Child Benefit Supplement, under the Canada Child Tax Benefit.

Depending on your net family income, you could receive an extra 20% on every dollar in your child's RESP each year, with an additional 20% if you are low-income!

To find out how much your child gets when you contribute: <https://www.smartsaver.org>

Three Types of RESPs:

Family RESPs: if you have more than one child, you can open a *Family RESP*. The children must be connected to you by blood relationship or adoption. They may be your children, stepchildren, grandchildren (including adopted grandchildren), brothers or sisters.

Individual RESP: you can open an individual plan for each child. These can be opened by non-family members.

Group RESPs: are sold by scholarship dealers. You sign a contract with them to invest for your child, and there are fees and sales charges on these plans.

Make an appointment to meet with your bank, credit union, or financial services provider. They have experts who can provide you detailed advice.

EDUCATION IS POWER

Saving for your child's education is easy!

DID YOU KNOW...

When you open a Registered Education Savings Plan, the government contributions alone could amount to \$2000 of **free money** towards their education, through *The Canada Learning Bond*, **without you contributing any money towards it!**

Further, if you do contribute to your child's RESP, the Government will add more money, to help your savings grow even faster, through a *Canadian Education Savings Grant!*

If you are in receipt of Ontario Works or ODSP, a Registered Education Savings Plan is exempt from your asset level, and cannot be counted by them as an asset.

Who can open an RESP? If you are a parent, grandparent, or other family member, you can open an RESP for a child.

RESPs can be opened by one person or opened jointly by spouses or common-law partners.

They can also be opened by child-protection agencies, for children in care more than 12 months.

All you need is your child's Birth Certificate and the Social Insurance Numbers for you and your child!

Getting Started

STEP 1

Your child must have a Social Insurance Number. If your child does not have one, you can go to your nearest Service Canada, or call (1-800-662-6232).

Your child must also be a resident of Canada.

STEP 2

Contact an RESP provider (a financial institution, credit union or financial planner) to open an RESP.

STEP 3

Choose the best RESP for your child.

Put the plan in motion, for your child to get training or further education after high school.
