

Retirement Savings & Pensions

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For most Canadians, registered retirement savings are among the biggest assets in their estate.

Your RRSP or RRIF balance might be worth \$200,000, \$500,000, or even \$1 million or more. And when you die, those funds don't automatically go through your estate. If you've named a beneficiary, they go directly to that person - outside your Will, outside probate, and outside your executor's control.

If you haven't named a beneficiary, the funds fall into your estate, go through probate, and get distributed according to your Will. That means delays, extra fees, and potentially a result you didn't intend.

This section is about making sure your retirement savings go to the right people, and making sure your executor knows where everything is.

How do registered retirement savings work when you die?

Canada has several types of registered accounts, and each one is treated differently when you die:

RRSPs (Registered Retirement Savings Plans)

When you die, the full value of your RRSP is included in your final tax return as income - unless it's transferred to a qualifying beneficiary. If you've named your spouse or common-law partner as beneficiary, the RRSP can be rolled into their RRSP or RRIF tax-free. If you've named anyone else (your children, a friend, your estate), the full amount is taxed as income on your final return. That tax bill can be substantial.

RRIFs (Registered Retirement Income Funds)

RRIFs work the same way as RRSPs on death. The remaining balance is included in your final tax return as income, unless it rolls to a surviving spouse or common-law partner. If you're already drawing income from a RRIF, those payments stop when you die.

TFSAs (Tax-Free Savings Accounts)

TFSAs are simpler. If you name your spouse or common-law partner as a "successor holder," they take over the TFSA tax-free - it continues as if it were theirs. If you name a "designated beneficiary" (anyone, including your spouse), the funds are paid out to them tax-free, but any growth in the account after your

death may be taxable to the beneficiary. If you name no one, the TFSA falls into your estate.

Employer Pensions (Defined Benefit & Defined Contribution)

If you have a workplace pension, the rules depend on the plan and your province. What a workplace pension pays out on death depends on the specific plan and your province's rules, so the safest step is to check with your employer or plan administrator about your survivor and beneficiary options. Check with your employer or plan administrator for the specific rules.

Canada Pension Plan (CPP)

CPP provides three possible benefits on death:

- CPP includes a one-time death benefit that your executor (or the person who paid for the funeral) can apply for through Service Canada. The amount and the rules can change over time, so check the current details with Service Canada when the time comes. - CPP Survivor's Pension: An ongoing monthly payment to your surviving spouse or common-law partner, based on your contributions. - CPP Children's Benefit: A monthly payment for dependent children under 18 (or under 25 if in full-time education).

Your executor will need to apply for all of these through Service Canada.

Old Age Security (OAS)

OAS payments stop when you die. Your executor needs to notify Service Canada so payments are cancelled. OAS payments stop at death, and any payments received after the date of death usually need to be returned. Your executor should notify Service Canada promptly and confirm what needs to be repaid. The OAS is not an asset - it's income while you're alive. But include it here so your executor knows to cancel it.

Beneficiary designations - why they matter

For RRSPs, RRIFs, TFSAs, and most employer pensions, you can name a beneficiary directly with the financial institution. This is separate from your Will.

When you name a beneficiary, the funds bypass your estate entirely. They go straight to that person, without probate, without delay, and (in the case of a spousal rollover) potentially without tax.

If you don't name a beneficiary, the funds fall into your estate. That means they're subject to probate fees, they're accessible to creditors, and they're distributed according to your Will - which may or may not match what you actually wanted.

Many accounts and policies let you name a beneficiary directly with the institution, separate from your

Will, but the options can depend on the product and your province. It's worth confirming what you can do for each account with your financial institution or advisor. (But keep in mind that naming someone other than your spouse may trigger a large tax bill on your final return.)

Beneficiary designations in Canada do not expire. Once you've filed one, it stays in effect until you change it. But you should review your designations regularly - especially after major life events like marriage, divorce, or the birth of a child. In some provinces a divorce changes or revokes certain beneficiary designations and in others it doesn't, so don't assume yours updates automatically. After a separation or divorce, review your designations and confirm what applies with your lawyer (or notary in Quebec) or the institution.

Important: Your beneficiary designation overrides your Will.

If your Will says "leave my RRSP to my daughter" but your beneficiary designation with the bank still names your ex-spouse, your ex-spouse may receive it regardless of your Will. Review your beneficiary designations whenever your relationships change. Always make sure your designations and your Will are aligned.

WHY THIS MATTERS

Registered retirement savings are often the largest asset in a Canadian estate. They're also the asset most likely to cause problems - because people forget to name a beneficiary, forget to update their designation after a divorce, or don't realize the tax consequences of leaving an RRSP to a non-spouse.

If your executor knows where your accounts are, who the beneficiaries are, and where the paperwork is stored, the process will be straightforward.

If they don't, your family could face unnecessary taxes, probate fees, and months of delays.

Get this right. It's worth it.

Your Retirement Savings & Pensions

Your retirement savings are often your biggest asset, and it does not pass through your Will. Make sure it goes where you intend.

RETIREMENT SAVINGS FUND 1

INSTITUTION / PROVIDER	ACCOUNT NUMBER
APPROXIMATE BALANCE	CONTACT PHONE
ACCOUNT TYPE	

Tick one: Still contributing (RRSP) / Converted to RRIF (drawing down)

RETIREMENT SAVINGS FUND 1 - BENEFICIARY DESIGNATION

HAVE YOU MADE A BENEFICIARY DESIGNATION?

Tick one: Yes, beneficiary designation (details below) / Yes, beneficiary designation (details below) / No nomination made (the plan administrator decides) / Unsure

RETIREMENT SAVINGS FUND 1 - BENEFICIARIES:

BENEFICIARIES: (WHO GETS YOUR RETIREMENT SAVINGS DEATH BENEFIT, AND IN WHAT PERCENTAGES)

repeating Name / Relationship / Percentage rows (room for ~9 beneficiaries)

Your Retirement Savings & Pensions (cont.)

RETIREMENT SAVINGS FUND 1

TOTAL MUST EQUAL 100%

Yes

WHERE IS THE BENEFICIARY DESIGNATION STORED?

RETIREMENT SAVINGS FUND 2

INSTITUTION / PROVIDER

ACCOUNT NUMBER

APPROXIMATE BALANCE

CONTACT PHONE

ACCOUNT TYPE

Tick one: Still contributing (RRSP) / Converted to RRIF (drawing down)

RETIREMENT SAVINGS FUND 2 - BENEFICIARY DESIGNATION

HAVE YOU MADE A BENEFICIARY DESIGNATION?

Tick one: Yes, beneficiary designation (details below) / Yes, beneficiary designation (details below) /
No nomination made (the plan administrator decides) / Unsure

Your Retirement Savings & Pensions (cont.)

RETIREMENT SAVINGS FUND 2 - BENEFICIARIES:

NAME / RELATIONSHIP / PERCENTAGE

repeating Name / Relationship / Percentage rows (room for ~9 beneficiaries)

RETIREMENT SAVINGS FUND 2

TOTAL MUST EQUAL 100%

Yes

WHERE IS THE BENEFICIARY DESIGNATION STORED?

INSURANCE THROUGH RETIREMENT SAVINGS

DOES THIS RETIREMENT PLAN INCLUDE INSURANCE? (COVERED IN RETIREMENT SECTION, BUT CONFIRM HERE)

Tick one: Yes (\$____) / No / Unsure

LTD INSURANCE

Tick one: Yes (\$____) / No / Unsure

Your Retirement Savings & Pensions (cont.)

DISABILITY INSURANCE

Tick one: Yes (\$____) / No / Unsure

RETIREMENT SAVINGS FUND 3 (IF YOU HAVE MORE THAN 2)

INSTITUTION / PROVIDER

ACCOUNT NUMBER

APPROXIMATE BALANCE

\$ prefix

CONTACT PHONE

BENEFICIARY DESIGNATION

Tick one: Yes / No / Not sure

BENEFICIARIES

two numbered rows: 1. ____ % / 2. ____ %

DATE NOMINATION MADE

Your Retirement Savings & Pensions (cont.)

RETIREMENT INCOME STREAM (RRIF / ANNUITY) (IF YOU'RE ALREADY RETIRED)

ARE YOU CURRENTLY RECEIVING A PENSION FROM YOUR RETIREMENT SAVINGS?

Tick one: Yes (details below) / No

FUND NAME

If yes:

PENSION ACCOUNT BALANCE

\$ prefix

ANNUAL PENSION AMOUNT

\$ prefix

HOW OFTEN PAID

Tick one: Monthly / Quarterly / Annually

BENEFICIARY: (WHO CONTINUES TO RECEIVE THE PENSION AFTER YOU DIE)

Name / Relationship rows

Your Retirement Savings & Pensions (cont.)

IF NO BENEFICIARY, REMAINING BALANCE GOES TO

Tick one: Estate / Nominated beneficiaries (as per beneficiary designation)

GOVERNMENT PENSIONS (SERVICE CANADA)

DO YOU RECEIVE THE OLD AGE SECURITY (OAS) OR ANY OTHER SERVICE CANADA PAYMENT?

Tick one: Yes (details below) / No

TYPE OF PAYMENT

*Tick one: Old Age Security (OAS) / Canada Pension Plan Disability (CPP-D) / Employment Insurance
Caregiving Benefits / Other*

SERVICE CANADA REFERENCE NUMBER

MONTHLY AMOUNT

\$ prefix. ☐ Your executor must notify Service Canada of your death. Payments will stop, and any payments received after death must be repaid.

DEFINED BENEFIT PENSIONS (IF APPLICABLE)

DO YOU HAVE A DEFINED BENEFIT PENSION? (COMMON FOR PUBLIC SERVANTS, TEACHERS, POLICE)

Tick one: Yes (details below) / No

Your Retirement Savings & Pensions (cont.)

PLAN NAME

(e.g., Federal Public Veterans Affairs Canada benefits Plan, HOOPP, LAPP, BC Teachers' Pension)

ACCOUNT NUMBER

PENSION AMOUNT

\$ prefix

BENEFICIARY: (WHO CONTINUES TO RECEIVE PENSION)

Name row

CONTACT FOR PLAN

NOTES (ANYTHING ELSE ABOUT YOUR RETIREMENT SAVINGS OR PENSIONS)