

First Home Savings Account (FHSA) Highlights

With the recent surge in house prices, it has never been more difficult to buy a new home. Proposed in the new budget was a new savings account to help first time home buyers in Canada. Here are some highlights of the proposed plan.

- Contributor receives a tax deduction on contributions and can withdraw the proceeds for a new home without tax. Withdrawals for any other purpose are taxable.
- No repayment into the plan needed unlike the Home Buyers Plan for an RRSP
- Contribution limits are \$8,000 annually and up to \$40,000 lifetime.
- Contribution room has no carryforward.
- Transfers between RRSP's and FHSA are permitted.
- To qualify you must at least be 18 years of age and have not lived in a home that you owned for the previous 4 years.

Once the budget is approved this plan will be available. It can be a great plan for not only a new homeowner but also a great gift area for family members wishing to help with the first-time purchase. Let me know if you have any further questions on this.

I hope you have a great summer!

Dan Beyaert, Associate Portfolio Manager, CFP®

The provided information is not legal advice. Each and every situation can be different, so legal advice for each individuals' specific circumstances must be obtained. Bellwether Family Wealth do not warranty, guarantee or otherwise represent that the information in this document, in whole or in part, will be effective, accurate or reliable for use by you without consultation with expert, professional guidance.

WEB www.planningprofessionals.ca
E-MAIL dan@planningprofessionals.ca
OFFICE 403.508.1516
FAX 403.231.8631

PLANNING PROFESSIONALS
BELLWETHER INVESTMENT
MANAGEMENT INC.
1100 8 Ave SW
Calgary, Alberta
T2P 3T8