



Reuter Benefits Group Plan Member Newsletter

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Using Tax-free Savings to Make Your Money Grow Faster

As we prepare for summer vacations and spending throughout the remainder of 2010 and beyond, it is important to ensure that we are considering money accumulation and tax-saving strategies provided to us.

The Federal government enabled Canadians to participate in a new savings plan, the Tax-Free Savings Account, as of January 1, 2009.

What is a Tax-Free Savings Account (TFSA)?

- This account enables Canadians to contribute \$5,000 per year and unused contributions can be carried forward indefinitely
- All growth from investments will be tax-free
- Withdrawals are tax free and do not affect income related government benefits (such as Old Age Security and Guaranteed Income Supplement)
- Unused contribution room will be increased by the amount of withdrawals

Advantages of a Group Tax-Free Savings Account

Participation in a group TFSA would provide you with an opportunity to benefit from many advantages including:

- Competitive, cashable Guaranteed Interest Accounts (may be subject to a market value adjustment)
- No front end or back end charges

- Access to a wide variety of investments in various asset classes to match your risk tolerance and time horizon
- Very competitive investment management fees
- A convenient method of saving through automatic withdrawals from your bank account

A Tax-Free Savings Account can be used to accumulate emergency savings, plan for a large purchase, trip, education funding, or retirement.

To learn more about the Tax Free Savings Accounts and how they can be part of your overall savings strategy, contact our office at 1-800-666-0142 or via email at retire@reuterbenefits.com.