

Individual Pension Plan

Dramatically boost your retirement assets with tax-deductible corporate contributions

How an IPP works

An IPP is a tax deferred savings vehicle used to invest and save for retirement. Contributions are tax deductible and made directly from the corporation. Similar to an RRSP, the assets inside an IPP are tax deferred until withdrawal. A clear advantage of an IPP is you can contribute up to 64% more than an RRSP.

How much can be contributed to an IPP

Age	RRSP Contribution	IPP Contribution	IPP Advantage	
45	\$30,780	\$36,400	\$5,620	18%
50	\$30,780	\$40,000	\$9,220	30%
55	\$30,780	\$43,900	\$13,120	43%
60	\$30,780	\$48,200	\$17,420	57%
65	\$30,780	\$50,600	\$19,820	64%

Case Study

A professional, age 55, incorporated for 10 years, maximum T4 earnings and \$300,000 in RRSPs

- ✓ \$168,100 in immediate past service funding - tax deductible to the company
- ✓ Up to \$640,000 more in tax-deductible contribution room over working years
- ✓ The IPP can accumulate up to \$1,400,000 more in assets than an RRSP

All of the above figures are based on 2023 prescribed assumptions

Who is a good candidate for an IPP?



Business Owner



Incorporated Professional



Over age 40



\$100,000+ in T4 Earnings

An IPP can be established for someone with lower earnings

Advantages of an IPP

- ✓ Increased tax deductible contribution room – **up to 64% more than an RRSP**
- ✓ Can **reduce passive income** in Corporation
- ✓ Tax deductible company contributions for prior years (**past service**)
- ✓ Richest benefit plan in Canada – 2% defined benefit pension plan
- ✓ **All costs are tax deductible** to the company
- ✓ Creditor Protection
- ✓ **Increased** corporate and personal tax savings
- ✓ Can include employed family members and pass on wealth to the next generation

Next Steps:

Visit our website at www.gblinc.ca to receive a personal IPP quote or speak with a GBL Representative



Building **your** future



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