

IPP Exemption from FSRA Registration and the Ontario Pension Benefit Act

Ontario passed new legislation that allows IPPs to be exempt from provincial pension regulations. This is a welcomed change that will give IPPs more flexibility, less unnecessary government oversight/filings, and exempt plans from the annual FSRA assessment fee.

In order for your IPP to be exempt, the following steps must be taken:

Complete Form 15 - PBA Exemption Election Form

<https://www.fsrao.ca/media/2476/download>

This form is to be completed by a representative of the company who will sign as the employer and the plan administrator. One form is required to be completed per IPP

Complete Form 15.1 - Consent Form – Member

<https://www.fsrao.ca/media/2481/download>

This form is to be completed by each member of the plan. For example, if there are 2 members in the plan then 2 completed forms, one from each member, will be required.

Note: This form does require a Commissioner of Oath or other authorized person to sign.

Complete Form 15.2 - Consent Form – Spouse

<https://www.fsrao.ca/media/2486/download>

This form is to be completed by each plan member's spouse only if the spouse is not a member of the plan themselves and has not signed a form 15.1. If the spouse is also a member of the plan, then they only need to complete form 15.1, and form 15.2 is not required. If the member does not have a spouse, then this form is not required.

Return the signed forms to GBL by e-mail to admin@gblinc.ca to be submitted with FSRA

Frequently Asked Questions (FAQs)

Why do I need to sign this? Completion of the forms will allow us to file for exemption on your plan. In the long run this will save on fees (provincial fee of approx. \$750/year), filings and offer you more flexibility with the funds in your IPP.

When does this need be returned? The sooner the better! In order to avoid the next assessment fees, the forms must be returned to our office by **March 15, 2021**.

Who can sign Form 15.1 as a Commissioner for Oaths? Any person authorized in Ontario to take declarations, which includes individuals who have applied to become commissioners or legal professionals.

What happens if I do not sign the exemption? There will be no change to your IPP. You will continue to pay annual assessment fees and file annual/triennial documentation with FSRA

Is there a negative impact to my plan? The purpose of FSRA is to protect member benefits. As you provide a benefit as the business owner to yourself, FSRA is currently protecting your benefits from yourself which does not make sense. Creditor protection of IPP assets would still apply as the plan is still registered with CRA and the assets held in trust.

Any questions regarding the exemption, please contact Laura Davis by email laura.davis@gblinc.ca or by phone at 403-249-1820 x 231.