

TAX & RETIREMENT PLANNING

Individual Pension Plan (IPP) Checklist

An Individual Pension Plan (IPP) is a defined benefit pension plan designed specifically for incorporated business owners. Use this checklist to determine if an IPP is right for you.

You may be a good candidate if you answer YES to the following:

- You are a shareholder of a Private Corporation and over the age of 40
- You hold at least 10% of the issued shares of the Private Corporation
- You have an employee/employer relationship with the Corporation
- You have a stable salary income of at least \$75,000 per year
- The Corporation has excess cash available
- You have maximized your RRSP contributions over the years
- You want the Corporation to contribute to your retirement with tax-deductible contributions

Additional Advantages:

- Flexibility to adapt to future needs | Eligible for pension income splitting
- Potential for creditor protection
- Can reduce passive investment income that might reduce access to the small business tax rate