

The RDSP, grants and bonds

for people with disabilities

The **Registered Disability Savings Plan (RDSP)** is a savings plan to help people with a disability save for the long term, typically for retirement. Just like other registered savings plans, it can hold savings, investments, and earnings made within the account. One of the main benefits of opening an RDSP is that the government pays you the **Canada Disability Savings Bond (CDSB)** and the **Canada Disability Savings Grant (CDSG)** into the account if you qualify.

To qualify for a RDSP, the beneficiary of the plan must:

- Be eligible for the disability tax credit (DTC)
- Have a valid social insurance number (SIN)
- Be A resident in Canada when the plan is entered into and
- Be Under the age of 60

Be aware that the rules around withdrawing money from the RDSP can be quite complex. It is a good idea to seek the help of a financial advisor to understand the rules for your specific case. Read more about the CDSB and CDSG below.

Canada Disability Savings Bond (CDSB)

The **Canada Disability Savings Bond (CDSB)** is a bond that the Government of Canada pays to people living on a low income and with a disability. Up to \$1000 can be paid into your RDSP every year and you do not have to make any contributions.

To qualify

- 49 years of age or under
- Canadian resident
- Valid Social Insurance Number (SIN)
- Eligible for the Disability Tax Credit (DTC)
- Family income that is less than the limit (as of 2020, the limit is \$48,535)

To apply

- File tax returns for the past two years and for future years
- Apply through the financial organization where you have your RDSP

What you can receive

- Up to \$1000 per year, depending on family income
- Up to a lifetime amount of \$20,000

Benefits and credits for people with disabilities

Registered Disability Savings Plan (RDSP)

The **Canada Disability Savings Grant (CDSG)** is a matching grant that the Government pays into your RDSP to help you save. For every dollar saved in the RDSP, you may get up to three dollars depending on your family income and contributions.

To qualify

- 49 years of age or under
- Canadian resident
- Valid Social Insurance Number (SIN)
- Eligible for the Disability Tax Credit (DTC)

To apply

- File tax returns for the past two years and for future years
- Apply through the financial organization where you have your RDSP

What you can receive

- Grant amounts depend on family income and your RDSP contributions
- If your family income falls below the limit (as of 2018, the limit is \$93,208):
 - on the first \$500 contribution—\$3 grant for every 1 dollar contributed, up to \$1,500 a year
 - on the next \$1,000 contribution—\$2 grant for every 1 dollar contributed, up to \$2,000 a year