

2022 TAX PLANNING CHECKLIST

SENIORS

The following checklist provides tactics you should consider as part of your year-end tax planning. If you need further explanation, please contact Chaplin & Co. LLP, Chartered Professional Accountants at 416 667 7060 or cpa@chaplinco.com.

- Inter vivos trust** - If you are over the age of 64, consider establishing an *inter vivos* trust as part of your estate plan.
- Old Age Security (OAS)**
 - If your income is between \$91,761 and \$133,141 in 2022, your OAS will be subject to a clawback.
 - consider ways to reduce your income so that you can continue to receive this government pension.
 - if your OAS is clawed back and your income is expected to be below the limit, apply for the reinstatement of OAS.
 - consider option to defer OAS benefits for 5 years and receive an additional 0.6% per month on the deferral
- Canada Pension Plan (CPP)**
 - If you and/or your spouse are entitled to Canada Pension Plan (CPP) payments, consider splitting income by requesting (before starting to receive payments) to share the total CPP payments.
 - If you are 65 years old receiving CPP benefits and either employed or self-employed, consider whether to make an election to stop paying CPP contributions.
- Your RRSP** - If you turn 71 in 2022, you must wind up your RRSP by the end of the year. This means that you can:
 - contribute to your RRSP only until December 31, 2022;
 - contribute (before the normal March 1, 2023 deadline) to your spouse's RRSP until the end of the year your spouse reaches age 71, if you have unused RRSP contribution room or earned income in the previous year;
 - defer taxes on all or a portion of the amount in your RRSP by transferring the funds to a registered retirement income fund; and
 - consider making a contribution for 2022 by December 31, 2022.
- Pension income credit** - This credit is \$2,000.
- Federal Home Accessibility Tax Credit** - This credit up to \$1,500 (for \$10,000 of expenditures) for improvements to make homes more functional for individuals who are 65 or over and eligible for the disability tax credit.