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A Tax-free Savings Account A Building Block to Financial Wellness

Personal wellness takes many forms, including financial stability. One of the building blocks available to creating ongoing financial stability is contributing towards a Tax-free Savings Account (TFSA).

Being disciplined and putting money into a TFSA every month has long-term benefits. With a TFSA, you have already paid taxes on the funds you deposit. Therefore, you are not taxed when you make a withdrawal. It affords you the opportunity to save money, earn interest and not pay additional taxes on the investment earnings.

A TFSA is also a great place to put extra money, such as an inheritance or a bonus, until you have had time to consider how best to use it. Keeping it in a separate account allows you to be more intentional about spending it on something that is a priority, similar to the concept of having your kids put their birthday money in a separate jar for something special. You can also watch and track how the investment grows and see your windfall working for you.

There are maximum contributions that can be made by individuals each year. Starting in 2009, CRA has determined annual limits for how much Canadians may contribute to a TFSA with the amount accumulating every year¹ to the following dollar limits:

Year	Limit \$
2009, 2010, 2011, 2012	5,000
2013 and 2014	5,500
2015	10,000
2016, 2017, 2018	5,500
2019	6,000

Would you like to know more about how CRA determines TFSA annual contribution room? See these [**CRA examples**](#).

Everyone wants to stress less about money. Consider using a TFSA is a way to pay yourself each month and in doing so, take control of personal finances.

¹ Annual limits taken from CRA website: <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account/contributions.html>