



## Designation of an Exempt Contribution – Tax-Free Savings Account (TFSA)

Fill out this form if you are the recipient of a **survivor payment** and you wish to contribute all or a portion of it to your own TFSA, designating the contribution as an **exempt contribution**. You do not have to fill out this form if you have become the **successor holder** of the TFSA of your deceased spouse or common-law partner. This form will help you determine the maximum amount that may be designated as an exempt contribution. Call us to find out whether you can still make a designation if any of the conditions below apply to you. Many of the terms used on this form are defined on the back.

Generally, no amount of the survivor payment may be designated as an exempt contribution if any of the following applies:

- the deceased holder had an excess TFSA amount at the time of death
- payments are being received by more than one survivor
- the survivor payment or the contribution, or both, is made after the rollover period

For more information on the excess TFSA amount, or how to determine if an excess TFSA amount exists in the deceased's TFSA, go to [canada.ca/tfsa](http://canada.ca/tfsa) or call **1-800-959-8281**.

Before filling out this form, you have to obtain from the executor of the estate or the TFSA issuer, the fair market value (FMV), at the time of the **holder's** death, of the TFSA from which the **survivor payment** was received. If the deceased holder had more than one TFSA, you will have to fill out a separate form to designate the contribution of each amount received, from any of the deceased holder's TFSAs, as an **exempt contribution**.

Once you have filled out Part 3 and, if required, Part 4 to determine the **maximum** amount that you can contribute and designate as an **exempt contribution**, enter the amount you want to designate in Part 5.

Send this filled out form to us within **30 days** after the date the contribution listed in Part 5 is made, or at a later time as permitted by the Minister to:

**TFSA Processing Unit, Canada Revenue Agency, Sudbury Tax Centre, PO Box 20000, Station A, Sudbury ON P3A 5C1; or**  
**TFSA Processing Unit, Canada Revenue Agency, Winnipeg Tax Centre, PO Box 14000, Station Main, Winnipeg MB R3C 3M2.**

### Part 1 – Survivor TFSA holder information (print)

Last name	First name and initial(s)	Social insurance number (SIN)	
Address	City	Province or Territory	Postal code

### Part 2 – Deceased TFSA holder information (print)

Last name	First name and initial(s)	Social insurance number (SIN)	
Address	City	Province or Territory	Postal code
Name of TFSA Issuer	TFSA contract number	Date of holder's death Y <sub>1</sub> Y <sub>2</sub> Y <sub>3</sub> Y <sub>4</sub>   M <sub>1</sub> M <sub>2</sub>   D <sub>1</sub> D <sub>2</sub>	FMV of TFSA at time of death

### Part 3 – Calculation of the amount that may be designated as an exempt contribution

Date the survivor payment was received:	Year   Month   Day	Amount of the survivor payment received:	
Total survivor payments received to date from the TFSA entered in Part 2			1
Total of any previous designations related to the payments on line 1		-	2
Line 1 <b>minus</b> line 2		=	A
FMV of the deceased holder's TFSA at the time of death from Part 2			3
Total of any previous designations related to the payments on line 1		-	4
Line 3 <b>minus</b> line 4		=	B
Enter the <b>lesser</b> amount from lines A or B			C

If the deceased holder did not have an **excess TFSA amount**, you were the only person to receive **survivor payments** from the TFSA, and the contribution is made within the **rollover period**, continue to Part 5.

**However, if the deceased holder had an excess TFSA amount and you received the authorization from us to designate an amount, continue to Part 4.**

### Part 4 – Fill out this part when the TFSA of the deceased holder includes an excess TFSA amount

FMV of <b>all</b> deceased holder's TFSAs at date of death that ceased to be a TFSA			5
Excess TFSA amount and any related income included on line 5			6
Total of <b>all</b> previous designations related to <b>any</b> of the deceased holder's TFSAs	+		7
Line 6 <b>plus</b> line 7	=		8
Line 5 <b>minus</b> line 8	=		D

## Part 5 – Designation of exempt contribution and certification

If Part 4 **does not apply**, enter the amount from line C in Part 3.

This is the maximum amount that can be designated as an exempt contribution.

If Part 4 **does apply**, enter the **lesser** of line C in Part 3 or line D in Part 4.

This is the maximum amount that can be designated as an exempt contribution.

**I designate the following amounts as an exempt contribution to a TFSA of which I am the holder.**

Date the exempt contribution was made:	<table border="1"> <tr> <td>Year</td> <td>Month</td> <td>Day</td> </tr> <tr> <td>       </td> <td>       </td> <td>       </td> </tr> </table>	Year	Month	Day				Amount of exempt contribution	Survivor TFSA contract number
Year	Month	Day							
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Year	Month	Day							

## Certification

I certify that the information given on this form is correct and complete.

\_\_\_\_\_  
Survivor's signature

\_\_\_\_\_  
Year      Month      Day

\_\_\_\_\_  
Telephone number

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 054 on Info Source at [canada.ca/cra-info-source](http://canada.ca/cra-info-source).

### Definitions

**Excess TFSA amount** – the total of all contributions made by the holder to all their TFSAs at or before a particular time in the calendar year, **excluding** a qualifying transfer or an exempt contribution.

#### Minus:

- the holder's unused TFSA contribution room at the end of the preceding calendar year
- the total of all withdrawals from the holder's TFSA in the preceding calendar year, other than a qualifying transfer or a specified distribution
- for a resident of Canada at any time in the year, the TFSA dollar limit for the calendar year; for any other case, nil
- the total of all withdrawals made in the calendar year from all of the holder's TFSAs, other than a qualifying transfer or a specified distribution, or the portion of the withdrawal that is more than the excess TFSA amount determined at that time

**Exempt contribution** – a contribution made during the rollover period and designated as exempt by the survivor on prescribed Form RC240, Designation of an Exempt Contribution – Tax-Free Savings Account (TFSA), in connection with a payment received from the deceased holder's TFSA.

**Holder** – the individual who entered into the TFSA arrangement and, after the death of the holder, the individual's spouse or common-law partner, and a subsequent survivor, if designated as the successor holder of the TFSA.

**Qualifying transfer** – a direct transfer between a holder's TFSAs, or a direct transfer between a holder's TFSA and the TFSA of their current or former spouse or common-law partner if the transfer relates to payments under a decree, order, or judgment of a court, or under a written agreement relating to a division of property in settlement of rights arising from the breakdown of their relationship and they are living separate and apart at the time of the transfer.

**Rollover period** – the period that begins when the TFSA holder dies and ends at the end of the calendar year that follows the year of death.

**Specified distribution** – a distribution from a TFSA to the extent that it is, or is reasonably attributable to, an amount that is any of the following:

- an advantage
- specified non-qualified investment income
- income that is taxable in a TFSA trust
- income earned on excess contributions or non-resident contributions

A specified distribution does not create or increase unused TFSA contribution room in the following year, nor does it reduce or eliminate an excess TFSA amount.

**Successor holder** – in provinces or territories that permit a TFSA beneficiary designation, a successor holder is a spouse or common-law partner of the holder at the time of death, named by the deceased as the successor holder of the TFSA, who acquires all of the rights of the holder under the arrangement including the right to revoke any beneficiary designation. This spouse or common-law partner becomes the new account holder.

**Survivor** – an individual who is, immediately before the TFSA holder's death, a spouse or common-law partner of the holder.

#### Note

A survivor may designate a successor holder (for example, a new spouse or common-law partner of the survivor in case of remarriage of the survivor). A successor holder designation is effective only if it is recognized under applicable provincial or territorial law and the successor holder acquired all of the survivor's rights as holder, including the right to revoke any previous beneficiary designation made by the survivor in relation to the TFSA.

**Survivor payment** – a payment received by a survivor during the rollover period, as a consequence of the holder's death, directly or indirectly out of or under an arrangement that ceased to be a TFSA because of the holder's death.

If you need more information regarding distributions or payments, go to [canada.ca/tfsa](http://canada.ca/tfsa), or see Guide RC4466, Tax-Free Savings Account (TFSA), Guide for Individuals.