# Death of a RRIF Annuitant or a PRPP Member

This information sheet contains general information about the taxation of amounts held in a registered retirement income fund (RRIF) and a pooled registered pension plan (PRPP) at the time the annuitant or the member died.

## Part 1 – Death of a RRIF annuitant

A RRIF annuitant is the owner of a RRIF. This part contains general information about the taxation of amounts held in an RRIF at the time the annuitant died. It also explains how these amounts are generally reported, and the options that are available to reduce or defer the tax liability resulting from the annuitant's death.

### Slips issued by the RRIF issuer

The chart below shows how the RRIF carrier generally prepares the slips used to report the amounts paid out or considered to have been received from a deceased annuitant's RRIF.

**Chart 1 – How the RRIF carrier generally prepares the slips used to report the amounts paid out of a deceased annuitant's RRIF**

| **Period** | Day the annuitant died* | **From** the day after the day the annuitant died **to** December 31 of the year after the year of death | **From** January 1 of the year after the period described in the previous column **to** the date the RRIF property is distributed |
|---|---|---|---|
| **Amount** | Fair market value of the RRIF | Income earned in the RRIF during this period | Income earned in the RRIF during this period |
| **How the RRIF carrier generally reports the amount** | We consider that the annuitant received this amount at the time of death. This amount is reported in box 18 of a T4RIF slip issued in the name of the annuitant for the year of death. This slip also shows any other amounts the annuitant received in the year. | ▪ If the annuitant's spouse or common-law partner is named as a beneficiary in the RRIF contract, income paid to that beneficiary is reported in box 16 of a T4RIF slip issued in their name, for the year of payment<br>▪ For all other beneficiaries named in the RRIF contract or the annuitant's estate (if no beneficiary is named), income paid is reported in box 22 of a T4RIF slip issued to each beneficiary or the estate, for the year of payment | **Depositary RRIF** – Income is paid to the beneficiaries named in the RRIF contract or the annuitant's estate (if no beneficiary is named) and reported in box 13 of a T5 slip issued to each beneficiary or the estate, for the year in which the income is credited or added to the deposit.<br>**Trusteed RRIF** – Income is paid to the beneficiaries named in the RRIF contract or the annuitant's estate (if no beneficiary is named) and reported in boxes 22 and 36 of a T4RIF slip issued to each beneficiary or the estate, for the year of payment.**<br>**Insured RRIF** – Income is paid to the beneficiaries named in the RRIF contract or the annuitant's estate (if no beneficiary is named) and reported in the same way as described in the previous column. |

The shaded areas represent amounts that qualify as a **designated benefit** if received by a **qualifying survivor** (see the definitions of these terms on the pages that follow). If you do not know the type of RRIF the annuitant has, or need a breakdown of the amount reported in box 22, contact the fund carrier.

* Two exceptions to the reporting requirement are provided where the spouse or common-law partner is the successor annuitant or the sole beneficiary of the RRIF. For more information, see the exceptions on the next page.

** Only the part of the income earned in this period that is not taxable to the RRIF trust is reported to the beneficiary. A beneficiary will not have to pay tax on any part of the amount they received, to the extent that it can reasonably be regarded as having been included in the RRIF trust's income.

RC4178(E) Rev. 19

La version française de cette document est intitulée Décès du rentier d'un FERR ou d'un participant d'un RPAC.

## General rule – deceased annuitant

When the annuitant of a RRIF dies, we consider that the annuitant received, immediately before death, an amount equal to the fair market value of all the property held in the RRIF at the time of death. This amount and all other amounts the annuitant received from the RRIF in the year have to be reported on the annuitant's Income Tax and Benefit Return for the year of death.

A beneficiary will not have to pay tax on any amount paid out of the RRIF if it can reasonably be regarded as having been included in the deceased annuitant's income.

**Exception 1 – Spouse or common-law partner as successor annuitant** – We **do not** consider the deceased annuitant to have received an amount from the RRIF at the time of death if the RRIF contract or the annuitant's will names their spouse or common-law partner as the successor annuitant of the RRIF. In this situation, the RRIF continues and the spouse or common-law partner becomes the successor annuitant under the fund. All amounts paid out of the RRIF after the date the annuitant died become payable to that successor annuitant. The successor annuitant will receive a T4RIF slip for the year of death (if applicable) and for future years showing the amounts they received. The successor annuitant has to report the amounts on their Income Tax and Benefit Return for the year they are received.

If the spouse or common-law partner is not named as the successor annuitant, they can still be considered as a successor annuitant if the deceased annuitant's legal representative consents to the designation and the RRIF carrier agrees.

**Exception 2 – Spouse or common-law partner is the sole beneficiary of the RRIF** – We **do not** consider the deceased annuitant to have received an amount from the RRIF at the time of death if the annuitant had a spouse or common-law partner when they died and **both** the following conditions are met:

- the spouse or common-law partner is named in the RRIF contract as the **sole** beneficiary of the RRIF
- **by** December 31 of the year following the year of death, the entire eligible part of the RRIF property is directly transferred to a registered retirement savings plan (RRSP), pooled registered pension plan (PRPP), specified pension plan (SPP), or RRIF under which the spouse or common-law partner is the annuitant, or to an issuer to buy an eligible annuity for the spouse or common-law partner

If **both** these conditions are met, only the spouse or common-law partner will receive a T4RIF slip. The total amount that was paid out of the RRIF will be shown in box 16 of the slip, and the part that was transferred will be shown in box 24 of the slip. The amount shown in box 16 has to be reported on line 11500 of the spouse's or common-law partner's Income Tax and Benefit Return for the year the transfer was made. The spouse or common-law partner will receive a receipt for the amount that was transferred. To find out how to claim a deduction for the transfer, see "Qualifying survivors – transfers" on page 3.

## General rule – beneficiaries of the RRIF

Amounts paid from the RRIF, which represent income earned in the RRIF after the date the annuitant died, have to be reported by the beneficiaries named in the RRIF contract or by the annuitant's estate (if no beneficiary is named).

These amounts have to be included in the income of the beneficiaries or the estate for the year they are received. Chart 1 on page 1 shows how RRIF carriers generally prepare the slips that report the amounts paid out of a deceased annuitant's RRIF.

## Optional reporting

If the two exceptions described above do not apply, read this section.

If a **qualifying survivor** (definition follows) **receives** an amount from a deceased annuitant's RRIF that qualifies as a **designated benefit** (definition on next page), the annuitant's legal representative can claim a reduction to the amount that we consider the annuitant received at the time of death.

The reduction, which is determined by filling out Chart 2 on page 5, allows for a redistribution of the annuitant's income to the qualifying survivor who actually received it. This redistribution of income allows the deceased annuitant and the qualifying survivor to pay the least amount of tax the law allows.

If none of the amounts paid out of the RRIF are made to a qualifying survivor or designated as a designated benefit, the amount that we consider the annuitant received at the time of death cannot be reduced.

**Qualifying survivor** – A **qualifying survivor** is the deceased annuitant's spouse or common-law partner, or a financially dependent child or grandchild. A child or grandchild of a deceased annuitant is generally considered financially dependent on that annuitant at the time of death if, before that person's death, the child or grandchild ordinarily resided with and was dependent on the annuitant and they meet **one** of the following conditions:

- the child or grandchild's net income for the previous year – line 236 (for years prior to 2019) or line 23600 (for years after 2018) of their Income Tax and Benefit Return – was less than the basic personal amount – line 300 (for years prior to 2019) or line 30000 (for years after 2018) of Schedule 1– for that previous year
- the child or grandchild is impaired in physical or mental functions and their net income for the previous year was equal to or less than the basic personal amount **plus** the disability amount – line 316 (for years prior to 2019) or line 31600 (for years after 2018) of Schedule 1 – for that previous year

If, before the annuitant's death, the child or grandchild had ordinarily resided with and was dependent on the annuitant but was away from home to attend school, we still consider them to have resided with the annuitant.

If the child or grandchild's net income was **more than the amounts described above**, we will **not** consider them to be financially dependent on the annuitant at the time of death, unless they can establish the contrary. In such a case, the child or grandchild or the legal representative should submit a request in writing to the child or grandchild's tax services office outlining the reasons why we should consider them to be financially dependent on the annuitant at the time of death.

**Designated benefit** – A **designated benefit** out of a RRIF is any of the amounts shown in the shaded areas of Chart 1 on page 1 if paid to a qualifying survivor. If these amounts are paid to the annuitant's estate, they will qualify as a designated benefit if **both** the following conditions are met:

- there is a qualifying survivor who is a beneficiary of the annuitant's estate
- the annuitant's legal representative and the qualifying survivor jointly file Form T1090, Death of a RRIF Annuitant – Designated Benefit or Joint Designation on the Death of a PRPP Member, to designate all or part of the amounts paid to the estate as a designated benefit received by the qualifying survivor

Sometimes there can be an **increase** in the value of a RRIF between the date of death and the date of the final distribution to the beneficiary or estate. Generally, this amount has to be included in the income of the beneficiary or the estate for the year it is received. A T4RIF slip may be issued for this amount. For more information, see "Chart 7 – Amounts from a deceased annuitant's RRIF," in Guide T4040, RRSPs and Other Registered Plans for Retirement.

If there is a **decrease** in the value of a RRIF **between** the date of death and the date of the final distribution to the beneficiary or the estate after 2008, the deceased's legal representative can ask that the amount of the decrease be carried back and deducted on the deceased's final Income Tax and Benefit Return through a reassessment. However, if the final distribution is made in the year of death, the deduction will be claimed when filing the final Income Tax and Benefit Return. The deduction is claimed on line 23200 of the Income Tax and Benefit Return.

The amount of that deduction is the total of all the following:

- the part of the fair market value of the RRIF at the time of death included in the deceased annuitant's income as a result of the annuitant's death
- all amounts received after the annuitant's death that have been included in the recipient's income as a taxable payment from the RRIF, other than tax-paid amount(s)
- all tax-paid amount(s) (see box 36 of T4RIF slip)

  **MINUS**

- the total of all amounts distributed from the RRIF after the death of the annuitant

Generally, the deduction will not be available if the RRIF held a non-qualified investment after the annuitant dies or if the final distribution is made after the end of the year that follows the year in which the annuitant died. However, this rule may be waived to allow the deduction to deceased annuitants on a case-by-case basis.

If a RRIF experiences a post-death decline in value, and the exceptional reporting described starting at Exception 1 on page 2 does not apply, the financial institution that holds the RRIF will issue Form RC249, Post-Death Decline in the Value of a RRIF, an Unmatured RRSP and Post-Death Increase or Decline in Value of a PRPP.

This form will be issued to the executor of the deceased annuitant's estate for the year in which the final distribution is made.

## Qualifying survivors – transfers

When a qualifying survivor includes a designated benefit into income, they can defer paying tax on the eligible part of it by transferring it to an RRSP, a PRPP, an SPP, a RRIF, an RDSP or to an issuer to buy an eligible annuity.

See the definitions of **qualifying survivor** and **designated benefit** in the previous section. To calculate the **eligible part of a designated benefit**, which is the amount that can be transferred, fill out Chart 3 on page 5.

The following table shows the transfers that qualifying survivors can choose:

| Designated benefit paid to: | Can be transferred to: | | | | | |
|---|---|---|---|---|---|---|
| | RRSP* | PRPP | SPP | RRIF | RDSP | Annuity |
| ■ the annuitant's spouse or common-law partner | ✓ | ✓ | ✓ | ✓ | | ✓ |
| ■ the annuitant's financially dependent child or grandchild who : – was dependent because of an impairment in physical or mental functions | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| – was dependent but **not** because of an impairment in physical or mental functions | | | | | | ✓ ** |

* The qualifying survivor must be 71 years of age or younger at the end of the year the transfer is made.

** The annuity can provide for payments based on a period of not more than 18 years, minus the child's or grandchild's age at the time the annuity was bought. The payments from the annuity have to start no later than one year after the purchase.

The transfer or purchase has to be completed in the year the designated benefit is received or within 60 days after the end of the year. If the qualifying survivor is 71 years of age in the year the designated benefit is received, the transfer to an RRSP must be completed by December 31 of that year.

The carrier or issuer who receives the transferred funds will issue a receipt to the qualifying survivor. The qualifying survivor can use the receipt to claim a deduction on their Income Tax and Benefit Return for the year the designated benefit was received.

The following table shows where on the Income Tax and Benefit Return that the qualifying survivor should claim the deduction:

| Designated benefit transferred to: | Claim deduction on: | |
|---|---|---|
| | line 20800 | line 23200 |
| an RRSP | ✓ | |
| a PRPP | ✓ | |
| an SPP | ✓ | |
| a RRIF | | ✓ |
| an RDSP | | ✓ |
| an annuity | | ✓ |

**Example**
Sarah was born July 14, 1950. She died on December 10, 2017 at the age of 67. When she died the fair market value of her trusteed RRIF was $150,000. The fair market value of the RRIF on December 31, 2018, was $160,000. The distribution of the RRIF property was delayed until 2019.

The RRIF contract named Sarah's husband, Dan, as the sole beneficiary of the RRIF. On June 30, 2019, he received $165,000 from the RRIF carrier.

Dan, who is also the legal representative of Sarah's estate, received the two following slips from the RRIF carrier:

- A T4RIF slip for 2019 issued in his name, showing $10,000 in box 16 and $5,000 in boxes 22 and 36.
- A T4RIF slip for 2017 issued in Sarah's name, showing $150,000 in box 18. Although Dan is the sole beneficiary of the RRIF, the slip was issued to Sarah because both conditions listed in Exception 2 under the section "General rule - deceased annuitant" on page 2, were not met.

Had Sarah not died, the minimum payment under the RRIF for 2019 would have been $7,272.73. Dan decides that it would be beneficial to ask for a reduction to the amount Sarah is considered to have received from her RRIF. This would allow him to shift some of her income onto his Income Tax and Benefit Return.

After filling out Chart 2 on page 5, Dan decides to claim a $130,000 reduction. This reduces the amount reported on line 115 of Sarah's 2017 Income Tax and Benefit Return to $20,000 ($150,000 – $130,000). Because the fair market value of the RRIF at the time of death was included in Sarah's income for 2017, Dan has to write a letter to request an adjustment to that year's return. Dan has to report $145,000 ($130,000 + $10,000 + $5,000) on line 11500 of his 2019 Income Tax and Benefit Return.

To minimize his 2019 taxes, Dan decides to transfer the eligible part of his designated benefit to his RRIF. The amount that qualifies as a designated benefit is $140,000 ($145,000 – $5,000). Dan fills out Chart 3 on the next page, and determines that he can transfer $132,734 to his RRIF. He claims a $132,734 deduction on line 23200 of his 2019 Income Tax and Benefit Return.

## Transfers to registered disability savings plans

A deceased individual's RRIF proceeds can be rolled over to the RDSP of the deceased individual's child or grandchild who was financially dependent because of an impairment in physical or mental functions.

For more information on the RDSP, go to **canada.ca/taxes-rdsp**.

### RDSP rollover reporting

The amount of the rollover will be shown in box 22 of a T4RIF slip. This amount has to be reported in the deceased annuitant's Income Tax and Benefit Return on line 13000 and the amount of the transfer deducted on line 23200. For the eligible individual (defined below), the amount has to be reported on line 13000 and the amount of the transfer deducted on line 23200. Form RC4625, Rollover to a Registered Disability Savings Plan (RDSP) Under Paragraph 60(m), must be attached to both the deceased annuitant's and the eligible individual's Income Tax and Benefit Returns. In these situations, you will not have to fill out a Schedule 7, RRSP and PRPP Unused Contributions, Transfers, and HBP or LLP Activities. However, you must attach to the Income Tax and Benefit Return the receipt indicating the amount of the rollover.

**Notes**
If you are filing electronically, keep all your supporting documents in case we ask to see them later.

The amount that can be rolled over to an RDSP cannot exceed the RDSP lifetime limit of $200,000.

### Eligible individual

An eligible individual is a child or grandchild of a deceased annuitant under an RRSP or RRIF, or of a deceased member of an RPP, PRPP, or SPP, who was financially dependent on the deceased for support, at the time of the deceased's death, by reason of an impairment in physical or mental functions. The eligible individual must also be the beneficiary under the RDSP into which the eligible proceeds will be paid.

| Chart 2 – How to calculate the reduction to the amount that we consider the deceased annuitant received at death<br>Fill out a separate calculation for each RRIF belonging to the deceased annuitant. | | | Example from the previous page | |
|---|---|---|---|---|
| **1.** Enter the amount shown in box 18 of the T4RIF slip issued to the annuitant for the year of death. | $ | 1 | $ 150,000 | 1 |
| **2.** Enter the fair market value of the RRIF on the later of the following dates (you may need to contact the deceased annuitant's RRIF carrier to determine these amounts):<br>■ December 31 of the year after the year the annuitant died<br>■ the end of the day the last time a designated benefit was paid out of the RRIF | $ | 2 | $ 0 | 2 |
| **3.** Enter the total of all amounts paid out of the RRIF after the annuitant died. | + $ | 3 | + $ 165,000 | 3 |
| **4.** **Add** lines 2 and 3 | = $ | 4 | = $ 165,000 | 4 |
| **5.** Enter the amount from line 1 or line 4, **whichever is less**. | – $ | 5 | – $ 150,000 | 5 |
| **6.** Line 4 **minus** line 5 | = $ | 6 | = $ 15,000 | 6 |
| **7.** Enter the total of all the following amounts:<br>■ amount designated as a designated benefit on each Form T1090 filed for the RRIF<br>■ the part of the amounts shown in box 36 of all T4RIF slips and box 13 of all T5 slips issued in the name of the estate that the qualifying survivors are entitled to receive from the estate<br>■ amounts shown in boxes 16 and 22 of all T4RIF slips and box 13 of all T5 slips issued to qualifying survivors<br>■ the part of the amount shown in box 36 of all T4RIF slips that were issued to the qualifying survivors that does not have to be included in income (contact the deceased annuitant's RRIF carrier to determine these amounts)<br>■ the part of the amount shown in box 18 of the T4RIF slip that was issued to the deceased annuitant for the year of death and that the qualifying survivors are entitled to receive | $ | 7 | $ 165,000 | 7 |
| **8.** Enter the result of the following calculation:<br>1 – ( $ ______ (amount from line 6) / $ (amount from line 4) ) | × | 8 | × 0.909091* | 8 |
| **9.** Maximum reduction to the amount that we consider the deceased annuitant received at the time of death (line 7 **multiplied** by line 8). The reduction can be any amount, from zero to the amount on this line. | = $ | 9 | = $ 150,000 | 9 |
| If the reduction is claimed in the year the annuitant died, the legal representative has to attach a letter to the annuitant's Income Tax and Benefit Return for that year to explain how the amount reported on line 13000 was calculated.<br>If the reduction is claimed after the year of death, the legal representative has to write us a letter asking for an adjustment to the annuitant's Income Tax and Benefit Return for the year of death. | | | * Calculation of line 8<br>1 – ( $ 15,000 / $ 165,000 ) | |

| Chart 3 – How to calculate the eligible part of a designated benefit<br>Fill out a separate calculation for each RRIF of the deceased annuitant, for each year in which a designated benefit is paid and transferred, and for each qualifying survivor who receives a designated benefit. You may have to contact the deceased annuitant's RRIF carrier to determine certain amounts. | | | Example from the previous page | |
|---|---|---|---|---|
| **1.** Enter the total of all amounts included in the income of **all** qualifying survivors for the year as a designated benefit from this RRIF. | $ | 1 | $ 140,000 | 1 |
| **2.** Enter the minimum amount that has to be paid from this RRIF for the year | $ | 2 | $ 7,272 | 2 |
| **3.** Enter the amount from line 2, or the total of the amounts the deceased annuitant received from this RRIF during the year and included in income, **whichever is less**. | – $ | 3 | – $ 0 | 3 |
| **4.** Line 2 **minus** line 3 | = $ | 4 | = $ 7,272 | 4 |
| **5.** Enter the part of all designated benefits from this RRIF that is included in the qualifying survivor's income for the year. | $ | 5 | $ 140,000 | 5 |
| **6.** Enter the result of the following calculation:<br>1 – ( $ ______ (amount from line 4) / $ (amount from line 1) ) | × | 6 | × 0.9481* | 6 |
| **7.** Eligible part of the designated benefit that can be transferred (line 5 **multiplied** by line 6) | = $ | 7 | = $ 132,734 | 7 |
| | | | * Calculation of line 6<br>1 – ( $ 7,272 / $ 140,000 ) | |

## Part 2 – Death of a PRPP member

A pooled registered pension plan (PRPP) is a retirement plan that provides retirement income.This part contains general information about the taxation of amounts held in a member's PRPP account at the time the member died. It also explains how these amounts are generally reported, and the options that are available to reduce or defer the tax liability resulting from the member's death.

### General rule for PRPP – deceased member

When the member of a PRPP dies, where there is no successor member, we consider that all property held in the PRPP account is deemed to have been distributed immediately before the date of death. The fair market value (FMV) of the assets held in the account is included on the deceased member's final Income Tax and Benefit Return.

A beneficiary will not have to pay tax on any amount paid out of the deceased member's account if it can reasonably be regarded as having been included in the deceased member's income.

**Exception 1** – **Spouse or common-law partner as successor member** – We **do not** consider the deceased member to have received an amount from the PRPP account at the time of death if the PRPP agreement or the member's will names his their spouse or common-law partner as the successor member of the PRPP account. In this situation, the spouse or common-law partner becomes the successor member of the PRPP account. All amounts paid out of the deceased member's PRPP account after the date the member died become payable to that successor member. The successor member acquires all of the member's rights in respect of the member's account under the PRPP.

**Exception 2** – **Qualifying survivor** – A qualifying survivor is the deceased member's spouse or common-law partner or a financially dependent child or grandchild.

In general, the amount received or deemed received in a year by the qualifying survivor from the deceased member's PRPP account must be reported by the qualifying survivor on their Income Tax and Benefit Return filed for the year they receive the amount. If there is no successor member and an amount is received or deemed received by a qualifying survivor, the member's legal representative can claim a deduction to the amount that we consider the member received at the time of death.

A surviving spouse or common-law partner of a deceased PRPP member does not need to report an amount in their Income Tax and Benefit Return that was directly transferred to a PRPP, an RPP, an RRSP, an SPP, a RRIF or directly purchase an eligible annuity.

When payments from the deceased member's PRPP account are paid to the member's estate and a qualifying survivor is a beneficiary of the estate, the deceased member's legal representative and the qualifying survivor can jointly designate all or part of the amount the qualifying survivor will receive. The designated amount will be treated for tax purposes as if the qualifying survivor had received the amount directly and will be included in the qualifying survivor's income. Any amount not designated will be included on the deceased member's return.

The joint designation is completed with Form T1090 Death of a RRIF Annuitant - Designated Benefit or Joint Designation on the Death of a PRPP.

A child or grandchild of a deceased member is generally considered financially dependent on that member at the time of death if, before that person's death, the child or grandchild ordinarily resided with and was dependent on the member and they meet **one** of the following conditions:

- the child or grandchild's net income for the previous year – line 236 (for years prior to 2019) or line 23600 (for years after 2018) of their Income Tax and Benefit Return – was less than the basic personal amount – line 300 (for years prior to 2019) or line 30000 (for years after 2018) of Schedule 1 – for that previous year
- the child or grandchild is impaired in physical or mental functions and their net income for the previous year was equal to or less than the basic personal amount **plus** the disability amount – line 316 (for years prior to 2019) or line 31600 (for years after 2018) of Schedule 1 – for that previous year

If, before the member's death, the child or grandchild was ordinarily residing with and was dependent on the member but was away from home to attend school, we still consider them to have resided with the member.

If the child or grandchild's net income was more than the amounts described above, we will not consider them to be financially dependent on the member at the time of death, unless they can establish the contrary. In such a case, the child or grandchild or the legal representative should submit a request in writing to the child or grandchild's tax services office outlining the reasons why we should consider them to be financially dependent on the member at the time of death.

### Qualifying survivor – Transfers

A qualifying survivor can choose to transfer the amount received or deemed received, on a tax-deferred basis.

The following table shows the transfers that qualifying survivors can choose:

| Amounts paid to: | Can be transferred to: | | | | | | |
|---|---|---|---|---|---|---|---|
| | RRSP* | PRPP | SPP | RPP** | RRIF | RDSP | Annuity |
| ■ the member's spouse or common-law partner | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ |
| ■ the member's financially dependent child or grandchild who:<br>– was dependent because of an impairment in physical or mental functions | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| – was dependent but not because of an impairment in physical or mental functions | | | | | | | ✓*** |

* The qualifying survivor must be 71 years of age or younger at the end of the year the transfer is made.

** The transfer to a RPP must be a direct transfer by spouse or common-law partner

*** The annuity can provide for payments based on a period of not more than 18 years, minus the child's or grandchild's age at the time the annuity was purchased. The payments from the annuity have to start no later than one year after the purchase.

The transfer or purchase has to be completed in the year the benefit is received or within 60 days after the end of the year. If the qualifying survivor is 71 years of age in the year the benefit is received, the transfer to an RRSP must be completed by December 31 of that year.

The carrier or issuer who receives the transferred funds will issue a receipt to the qualifying survivor. The qualifying survivor can use the receipt to claim a deduction on their Income Tax and Benefit Return for the year the benefit was received. There is no income inclusion or deduction if the surviving spouse or common-law partner transfers directly the amount to a PRPP, an RPP, an SPP, an RRSP, a RRIF, or directly purchase an eligible annuity.

The following table shows where on the Income Tax and Benefit Return the qualifying survivor should claim the deduction:

| Amount transferred to: | Claim deduction on: | |
|---|---|---|
| | line 20800 | line 23200 |
| an RRSP | ✓ | |
| a PRPP | ✓ | |
| an SPP | ✓ | |
| a RRIF | | ✓ |
| an RDSP | | ✓ |
| an annuity | | ✓ |

## Post-death increase or decrease in value

Sometimes there can be an increase in the value of a member's PRPP account between the date of death and the date of the final distribution to the beneficiary or estate. Generally, this amount has to be included in the income of the beneficiary or the estate for the year it is received. For beneficiaries who are not qualifying survivors, the post-death increase has to be included in their income to the extent that it does not exceed the amount received by that beneficiary.

If there is a decrease in the value of a member's PRPP account between the date of death and the date of the final distribution to the beneficiary or the estate , the deceased's legal representative can ask that the amount of the decrease be carried back and deducted on the deceased's final Income Tax and Benefit Return through a reassessment. However, if the final distribution is made in the year of death, the deduction will be claimed when filing the final Income Tax and Benefit Return. The deduction is claimed on line 23200 of the Income Tax and Benefit Return.

The amount of that deduction may not exceed the total of all the following:

- the part of the FMV of the member's PRPP account at the time of death included in the deceased member's income as a result of the member's death
- all amounts received after the member's death that have been included in the recipient's income as a benefit from the PRPP
- all amounts received by the surviving spouse or common-law partner from the PRPP account after the member's death that were transferred on a tax-deferred basis

**MINUS**

- the total of all amounts distributed from the PRPP account after the member's death

Generally, the deduction will not be available if the final distribution is made after the end of the year that follows the year in which the member died. However, this rule may be waived to allow the deduction to deceased members on a case-by-case basis.

If a deceased member's PRPP account experiences a post-death increase or decline in value, and the exceptional reporting described in exception 1 does not apply, the PRPP administrator will issue Form RC249, Post-Death Decline in the Value of a RRIF, an Unmatured RRSP and Post-Death Increase or Decline in Value of a PRPP.

This form will be issued to the executor of the deceased member's estate for the year in which the final distribution is made.

**Income reporting –** PRPP distributions are reported on a T4A slip in box 16 and box 194.

For more information about PRPPs, see Guide T4040, RRSPs and Other Registered Plans for Retirement, or go to **canada.ca/taxes-pooled-registered-pension-plan.**

# Online service

The CRA's online services are fast, easy, and secure!

## My Account

My Account lets you view your personal income tax and benefit information and manage your tax affairs online. Find out how to register at **canada.ca/my-cra-account**.

## MyCRA mobile web app

The MyCRA mobile web app lets you access and view key portions of your tax information. You can use the app to make a payment to the CRA online with My Payment or a pre-authorized debit agreement, or create a QR code to pay in person at Canada Post. Access the app at **canada.ca/cra-mobile-apps**.

Use My Account or MyCRA to:

- view your benefit and credit information
- view your notice of assessment
- change your address, direct deposit information, information about marital status, and information about children in your care
- register to receive email notifications when you have mail to view in My Account and when important changes are made on your account
- check your TFSA contribution room and RRSP deduction limit
- check the status of your tax return

In addition, you can use My Account to:

- view and print your proof of income statement (option 'C' print)
- send documents to the CRA
- send an enquiry about your audit
- link between your CRA My Account and Employment and Social Development Canada (ESDC) My Service Canada Account

## Receiving your CRA mail online

Sign up for email notifications to get most of your CRA mail, like your notice of assessment, online.

For more information, go to **canada.ca/cra-email-notifications**.

## Electronic payments

Make your payment using:

- your financial institution's online or telephone banking services
- the CRA's My Payment service at **canada.ca/cra-my-payment**
- your credit card through one of the CRA's third-party service providers
- PayPal through one of the CRA's third-party service providers
- pre-authorized debit at **canada.ca/my-cra-account**

For more information on all payment options, go to **canada.ca/payments**.

# For more information

## What if you need help?

If you need more information after reading this publication, visit **canada.ca/taxes** or call **1-800-959-8281**.

## Forms and publications

To get our forms and publications, go to **canada.ca/cra-forms** or call **1-800-959-8281**.

### Forms

| | |
|---|---|
| 5000-R | Income Tax and Benefit Return |
| RC193 | Service-Related Complaint |
| RC249 | Post-Death Decline in the Value of a RRIF, an Unmatured RRSP and Post-Death Increase or Decline in Value of a PRPP |
| RC4625 | Rollover to a Registered Disability Savings Plan (RDSP) Under Paragraph 60(m) |
| T1090 | Death of a RRIF Annuitant – Designated Benefit or Joint Designation on the Death of a PRPP Member |

### Publications

| | |
|---|---|
| 5000-G | Federal Income Tax Guide |
| T4040 | RRSPs and Other Registered Plans for Retirement |

## Electronic mailing lists

We can notify you by email when new information on a subject of interest to you is available on our website. To subscribe to our electronic mailing lists, go to **canada.ca/cra-email-lists**.

## Tax Information Phone Service (TIPS)

For personal and general tax information by telephone, use our automated service, TIPS, by calling **1-800-267-6999**.

## Teletypewriter (TTY) users

If you have a hearing or speech impairment and use a TTY call **1-800-665-0354**.

If you use an **operator-assisted relay service**, call our regular telephone numbers instead of the TTY number.

# Service-related complaints

You can expect to be treated fairly under clear and established rules, and get a high level of service each time you deal with the Canada Revenue Agency (CRA); see the Taxpayer Bill of Rights.

If you are not satisfied with the service you received, try to resolve the matter with the CRA employee you have been dealing with or call the telephone number provided in the CRA's correspondence. If you do not have contact information, go to **canada.ca/cra-contact**.

If you still disagree with the way your concerns were addressed, you can ask to discuss the matter with the employee's supervisor.

If you are still not satisfied, you can file a service complaint by filling out Form RC193, Service-Related Complaint. For more information and how to file a complaint, go to **canada.ca/cra-service-complaints**.

If the CRA has not resolved your service-related complaint, you can submit a complaint with the Office of the Taxpayers' Ombudsman.

## Formal disputes (objections and appeals)

If you disagree with an assessment, determination or decision, you have the right to register a formal dispute.

## Reprisal complaints

If you have previously submitted a service-related complaint or requested a formal review of a CRA decision and feel that, as a result, you were not treated impartially by a CRA employee, you can submit a reprisal complaint by filling out Form RC459, Reprisal Complaint.

For more information about complaints and disputes, go to **canada.ca/cra-complaints-disputes**.

## Due dates

When the due date falls on a Saturday, a Sunday, or a public holiday recognized by the CRA, we consider your payment to be on time if we receive it on the next business day. Your return is considered on time if we receive it or if it is postmarked on or before the next business day.

For more information, go to **canada.ca/taxes-dates-individuals**.

## Cancel or waive penalties or interest

The CRA administers legislation, commonly called taxpayer relief provisions, that allows the CRA discretion to cancel or waive penalties or interest when taxpayers cannot meet their tax obligations due to circumstances beyond their control.

The CRA's discretion to grant relief is limited to any period that ended within 10 calendar years before the year in which a request is made.

For penalties, the CRA will consider your request only if it relates to a tax year or fiscal period ending in any of the 10 calendar years before the year in which you make your request. For example, your request made in 2019 must relate to a penalty for a tax year or fiscal period ending in 2009 or later.

For interest on a balance owing for any tax year or fiscal period, the CRA will consider only the amounts that accrued during the 10 calendar years before the year in which you make your request. For example, your request made in 2019 must relate to interest that accrued in 2009 or later.

To make a request, fill out Form RC4288, Request for Taxpayer Relief – Cancel or Waive Penalties or Interest. For more information about relief from penalties or interest and how to submit your request, go to **canada.ca/taxpayer-relief**.