



**DURWARD JONES
BARKWELL &
COMPANY LLP**
Chartered Accountants

Big enough to know ▶
SMALL ENOUGH TO CARE

Darryl Paul, B. Comm., C.A.
Manager, Taxation

- Q. I am about to make a withdrawal from my RRSP under the Home Buyer's Plan. What consideration should be given to the timing of the withdrawal?**
- A.** When you make a tax free withdrawal from your RRSP under the Home Buyer's Plan (HBP), the purchase of the home must occur before October 1 of the year following the withdrawal. If you wait until the new year to make a withdrawal, you can extend the period of time during which the home must be purchased, as well as delay the start of making repayments under the HBP. Multiple withdrawals under the HBP are permitted during the calendar year, but only to a maximum of \$20,000 per spouse. The HBP withdrawal must be repaid to your RRSP over a 15 year period, with annual contributions. The repayment obligation begins the second year following the year of the withdrawal. If you do not make the annual minimum HBP repayment, the minimum repayment amount will be included in your taxable income for the year.

Darryl Paul, B. Comm., C.A.
Manager, Taxation