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# THINGS TO KNOW FOR

## APRIL 2021



### **RRSP or TFSA??**

#### **Where might you put your 2020 Tax refund?**

The key difference between an RRSP and a TFSA is what they are ultimately intended for. In the most general of terms, RRSP's are designed for saving for retirement where TFSA's are very multi-purpose. Understanding your savings goal may help you with determining which is the more suitable option for you! As always, we are here to help in guiding your decision.

**In the meantime, here are some unique features of each:**

#### **RRSP**

- You can contribute providing you have earned income
- Contribution limits are based on your unique income level, to a limit, and subject to certain adjustments
- Contributions are tax deductible
- RRSP withdrawals are taxable, with some exceptions
- When you withdraw from an RRSP, that contribution room is lost, with some exceptions (ie. Homebuyer withdrawal)
- Unused contribution room is able to be carried forward to future years
- RRSP plans must be converted to an alternate Retirement Income Option at age 71
- Beneficiary designation exists

#### **TFSA**

- You can contribute once you reach the age of majority
- Contributions are not defined by your income level but rather are set each year by the Government of Canada

- Contributions are not tax deductible
- TFSA withdrawals are not taxable
- When you withdraw from a TFSA, that contribution room is not lost and be replaced the following year
- Unused contribution room is able to be carried forward to future years
- There is no upper age limit for a TFSA
- Beneficiary and Successor Holder designations exist



## Taxes 2020

### Are you ready?

Did you know that you may be eligible for interest relief on tax balances owing if you received COVID-19 benefits?

If you meet **ALL** eligibility criteria and have filed your 2020 tax return by April 30 2021, CRA will automatically apply interest relief on your 2020 taxes owing. You will not have to pay interest on any amount owing from your 2020 taxes until April 20, 2022.

- Your total 2020 Taxable income was \$75000 or less
- You received **at least one** COVID-19 benefit in 2020
  - Canada Emergency Response Benefit (CERB)
  - Canada Emergency Student Benefit (CESB)
  - Canada Recovery Benefit (CRB)
  - Canada Recovery Caregiving Benefit (CRCB)
  - Canada Recovery Sickness Benefit (CRSB)
  - Employment Insurance (EI) Benefits (EI)
  - Provincial or territorial emergency benefits
- You filed your 2020 income tax and benefit return
- You have a balance owing for your 2020 taxes

Source: [COVID-19 taxes](#)

\*Interest relief **ONLY** applies to your 2020 taxes owing and not on previous or other debts with the CRA. Late filing penalties still apply.



## Refreshed Website – May 2021

### Coming Soon!

We are excited to share a refresh of our current website.....coming in May 2021! Our current website is under construction as we anxiously await the new reveal!

Our goal is to best reflect the Flagstone culture we have worked hard to cultivate and sustain while bringing value added information to your fingertips!

We've developed a company video, added new team pictures and will continue to host value added information and tips in a timely and customer centric way.



## Internet Payment changes

### Setting up 'New' and 'Automated' changes

With the January 2021 change of legal name from Industrial Alliance Securities Inc. to iA Private Wealth Inc. internet payments (aka online banking bill payment) must be payable to iA Private Wealth Inc.

Internet payment name changes were sent to Canadian financial institutions (FI's) the week of March 1 2021. Each FI has their own schedule for making these updates and it may take a few weeks for all to make their updates.

Existing: If you have an existing internet payment with your Canadian financial institution (FI) they will be doing this on your behalf. Each FI has a different system update schedule so please note it may take weeks before the name change is applied.

New: If you are setting up a new internet payment you will need to look up iA Private Wealth Inc. name in the bill payment payee name list. From here you would add your iAPW client number.

Internet payments sent via Online Banking Bill Payments is a preferred method of delivering funds from your financial institution to your account with us. If you are not already set up and have any difficulties please contact our office and April would be pleased to help clarify any questions you may have.



## Community Corner

### Introducing 'The Loft House of Fashion' – highlighting small business in Strathroy!

Diana, Helena, Lucy and myself; Marian, operate **The Loft House of Fashion** in Strathroy and have since August 2016. This was an existing boutique, first located at Frank Street and when we expanded our fashion lines it meant it was time to move to a newer, bigger store. We opened at our new location at 61 Front Street 2 years ago.

We carry Canadian lines such as French Dressing, Renuar, Soft Works, Michael Tyler, Dolcezza, Minkas and Picadilly. Our international and mostly European lines are: Sandwich, YaYa and White Stuff from The Netherlands, Marble from Scotland, and some Italian lines such as Bella Amore and Femme Fatal. Sassy is all made in Turkey and recently from Denmark we offer l'cona.

We carry fashion that is different than what you see in department or chain stores. Our selection covers from casual to casual dressy. Our main Canadian line is Joseph Ribkoff. This fashion line offers from casual jeans and tops that you can dress up or down to dresses and outfits for mothers/grandmothers of the bride or groom. You can find outfits for dinners, parties and weddings.

COVID-19 has been life changing to all of us. It has been a difficult year as we were forced to close our store in total for 17 weeks. We chose not to offer online shopping as our clientele preferred in store shopping where they can experience the clothing. Our customers also told us that many were working from home and were dressing more casually and many still are.

Our fashions, along with excellent customer service sets us apart. We go the extra mile to order your favourite item, in your size. We will help you put an outfit together complete with jewelry, lingerie and accessories, if needed. We offer a relaxed atmosphere inclusive of a nice sitting area.

We, at the Loft House of Fashion love what we do and hope to welcome you at our Boutique in Strathroy. We appreciate your business and hope you support local.

**Thank you very much, take care and stay safe! Marian Van Gorp**



**All of the staff at Flagstone would like to extend a wonderful Easter! Please note that our office will be closed on Good Friday, April 2<sup>nd</sup> and will re-open again on Monday, April 5<sup>th</sup>**



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**Our mailing address is:**

Flagstone Financial Group | iA Private Wealth®  
88 Metcalfe Street East  
Strathroy, ON N7G 1P1  
Canada



**Flagstone**  
FINANCIAL GROUP

**iA**  
Private Wealth™

[iaprivatewealth.ca](http://iaprivatewealth.ca)  
[flagstonefinancialgroup.com](http://flagstonefinancialgroup.com)

**April Beierling**

Administrative Assistant  
iA Private Wealth

88 Metcalfe St East  
Strathroy, ON N7G 1P1  
**519-245-7778**

**1-866-245-7778**

[april@flagstonefinancialgroup.com](mailto:april@flagstonefinancialgroup.com)