



## **SSC # 89 – TAX-EFFICIENT USE OF TFSAS IN RETIREMENT INCOME PLANNING**

### **This course is eligible for:**

**1.5 Life & A&S CE Credits for BC, SK, MB & ON.**

**1.5 Life ONLY CE Credits for AB.**

### **Target Audience**

This course is designed for licensed financial advisors, financial planners, investment representatives, and insurance of persons representatives who serve Canadian clients at or approaching retirement age (typically 55 and older). It is applicable across all provinces and territories of Canada.

### **Course Overview**

The Tax-Free Savings Account (TFSA) has become one of the most powerful tools in Canadian retirement income planning — not just for accumulation, but for managing taxable income, preserving government benefits, and stabilizing cash flow throughout retirement. This course gives advisors a clear, practical framework for using TFSAs strategically in decumulation, including how to coordinate TFSA withdrawals with RRIF minimums, reduce OAS clawback exposure, smooth marginal tax rates, and create flexible, tax-free income streams that support longevity planning. Advisors will learn how to position TFSAs for mass-affluent, HNWI, and late-life retirees, how to integrate TFSA strategies with annuities and ALDAs, and how to avoid common planning errors that undermine tax efficiency. By the end of this course, advisors will be equipped to turn the TFSA into a precision retirement-income instrument — one that enhances after-tax outcomes and strengthens long-term financial security for clients.

### **Learning Objectives**

*Upon successful completion of this course, the learner will be able to:*

1. Calculate a client's available TFSA contribution room using carry forward rules, withdrawal history, and annual limits from 2009 to 2025, and identify the penalties associated with over-contributions.
2. Explain why TFSA withdrawals do not affect a retiree's net income for the purposes of OAS recovery tax, Guaranteed Income Supplement (GIS) entitlement, and the Age Amount tax credit, and quantify the financial impact of substituting TFSA withdrawals for RRIF withdrawals in illustrative scenarios.

3. Apply at least four TFSA drawdown strategies — including income bracket filling, income spike management, RRSP/RRIF meltdown support, and spousal TFSA coordination — to a retirement income plan, selecting the strategy most appropriate to a client's individual circumstances.
4. Distinguish between the optimal investment assets to hold inside a TFSA versus a RRIF and a non-registered account, with reference to the tax treatment of interest, Canadian dividends, foreign dividends, and capital gains in each account type, including the foreign withholding tax issue on US equities held in a TFSA.
5. Compare the successor holder and beneficiary designation for a TFSA on death, explain the probate, tax, and rollover implications of each, and recommend appropriate designations for clients in various family situations including Québec civil law considerations.
6. Identify compliance obligations under Provincial Insurance Regulators, CIRO, FP Canada, and applicable provincial insurance legislation when recommending TFSA investment and withdrawal strategies, including suitability, KYC, and disclosure requirements for segregated fund TFSAs.
7. Recognize behavioural finance barriers — including mental accounting, status quo bias, and present bias — that prevent clients from optimizing TFSA use in retirement and apply advisor communication strategies to reframe the TFSA as a tax-free retirement income account.
8. Construct a multi-year TFSA income integration plan for a couple in retirement, coordinating TFSA withdrawals with RRIF minimums, CPP, OAS, and pension income splitting to minimize total tax paid and maximize after-tax income over a planning horizon of 10 or more years.