



Registered Disability Savings Plan

Show Notes

Guest: Ryan Chin, Financial Planner at Sun Life, CFP®, CLU®, MBA, QAFP™

Episode Summary:

Ryan Chin from Sun Life Financial and Peridot Financial Solutions explains the **Registered Disability Savings Plan (RDSP)**, designed for Canadians with disabilities to save long-term and grow tax-free until withdrawal. The RDSP offers government benefits through grants and bonds, potentially providing up to \$90,000 in combined contributions over the plan's lifetime. Ryan discusses eligibility requirements, making contributions, and how contributions can be matched through the **Canada Disability Savings Grant (CDSG)**. And he shares how the **Canada Disability Savings Bond (CDSB)** can offer additional money to low-income individuals, even if they don't contribute. He also emphasizes that knowledgeable advisors can be valuable in navigating RDSP complexities.

Websites:

- Ryan Chin: advisor.sunlife.ca/ryan.chin/about/
- Sun Life Financial: www.sunlife.ca

Key Terms and Definitions:

- **RDSP (Registered Disability Savings Plan):** A long-term savings plan offering tax-deferred growth for Canadians with disabilities who qualify for the DTC.
- **DTC (Disability Tax Credit):** A non-refundable tax credit for Canadians with a disability, serving as a key eligibility requirement for the RDSP.
- **SIN (Social Insurance Number):** A nine-digit number used for tax reporting and accessing government programs.
- **Canada Disability Savings Grant (CDSG):** A government grant provided to RDSP holders, where contributions up to \$1,500 annually are matched by the government with up to \$3,500, based on income.

- **Canada Disability Savings Bond (CDSB):** A government contribution of up to \$1,000 per year for low-income Canadians with an RDSP, available even if no personal contributions are made.
- **Beneficiary:** The person with the disability who is eligible for the RDSP and will receive its benefits.
- **Holder:** The person who opens and manages the RDSP. This can be the beneficiary if they are of legal age, or a parent/guardian if they are a minor.
- **Carry-Forward:** A feature allowing unused grant and bond entitlements from the past 10 years to be applied to an RDSP, allowing beneficiaries to catch up on contributions.
- **Income Threshold:** Annual income levels used to determine eligibility for grants and bonds.
- **Lifelong Disability:** A requirement for the RDSP, defined as a severe and prolonged impairment that prevents substantial gainful activity.
- **Estate:** The total assets and liabilities left by an individual at death.

Discussion Questions:

- What factors motivated you to start an RDSP, and how did you decide on the amount to contribute?
- Have you ever applied for the Disability Tax Credit (DTC)? How did that impact your eligibility for the RDSP?
- How has the RDSP's grant and bond incentives influenced your savings plan?
- Have you faced any challenges when setting up or managing an RDSP? What advice would you give to others?
- For parents or guardians, how has the RDSP helped you plan for your child's future?
- What's one thing you wish you had known about RDSPs before opening one?
- If you've had to withdraw from an RDSP, what were your considerations and how did the process go?
- For those without an RDSP, what savings strategies do you use for long-term financial planning?
- What are your thoughts on the RDSP as a retirement savings tool for people with disabilities?

[Share what you learned with us in this episode](#) of the Dollars Seen Differently podcast.