

Sample Post-Retirement Plan

Prepared with

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POST-RETIREMENT PLAN

RETIREMENT PLAN

JANICE AND RAY OSMOND

PROVINCE OF ONTARIO

AS AT JANUARY 1, 2020

PREPARED BY DAVID GOBEIL, CPA, CA, CFP®

POST-RETIREMENT PLAN

Janice and Ray Osmond
123 Main Street
Anywhere, Canada

Dear Janice and Ray,

Personal Financial Planner's Comments

This Retirement Plan has been prepared solely for your use in arranging your financial affairs to progress towards meeting your retirement objectives.

The purpose of the retirement plan is to determine how you can use your financial resources to meet your retirement objectives, which are included in this report.

The projections included in the plan are based upon certain principles for the use of tax-paid capital, tax-free savings accounts and registered retirement savings plan. The amounts of withdrawals and contributions in the projections are based upon these principles and I suggest that you use these amounts to guide your conversion of funds into income and your investment of excess funds.

Retirement planning is an ongoing process and you will have to update your plan on a regular basis as investment returns, income taxes and your expenses change. I suggest that you revise your plan annually.

I have prepared this Retirement Plan, which includes projections of post-retirement incomes from information and assumptions supplied by you. The assumptions used are not certain to occur and other events not reflected in the assumptions may occur. If events do not occur as assumed, the actual results achieved may vary significantly from the projected outcome.

You will appreciate that tax-planning advice is based upon interpretation of the law including the general anti-avoidance rule and experience with the revenue authorities. Accordingly, the conclusions reached and views expressed are often matters of opinion, rather than certainty.

Yours very truly,

David

David R. Gobeil, CPA, CA, CFP

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1. Action Plan

The actions identified to meet your objectives are:

- Update your plan on an annual basis as investment returns, income taxes and your expenses change.
- Use the amounts of withdrawals in the projections to guide your conversion of funds into income.
- Use the amounts of contributions in the projections to guide your investment of excess funds.
- When preparing your income tax returns, you should compare the calculations on your return to those in the income tax projections and investigate any significant differences.
- Prepare an estate plan.

2. Retirement Objectives

The purpose of the retirement plan is to determine how you can use your financial resources to meet your retirement objectives, which are:

- to maintain your desired standard of living throughout 34 years of Ray's retirement and 33 years of Janice's retirement;
- to maintain your standard of living as measured by lifestyle expenditures of \$110,000 per year in current dollars plus inflation protection of 2.00%; and
- to enable your surviving spouse to maintain their standard of living.

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3. Alternative Amounts of Expenditures

Based upon the Projections of Retirement Income, Scenario 1 shows that with lifestyle expenditures in current dollars of \$110,000 and inflation protection of 2.00%, you would have a cumulative shortfall of \$0.

JANICE AND RAY OSMOND ALTERNATIVE AMOUNTS OF LIFESTYLE EXPENDITURES

Scenario 1

Lifestyle expenditures at retirement	\$110,000	
Inflation protection until Ray's age 80	2.00	%
Cumulative shortfall in retirement funds	\$0	
Non-locked-in capital at end of the planning period	\$2,515,474	

Scenario 2

Lifestyle expenditures at retirement	\$135,000	
Inflation protection until Ray's age 80	2.00	%
Cumulative shortfall in retirement funds	\$104,000	
Non-locked-in capital at end of the planning period	\$0	

Scenario 3

Lifestyle expenditures at retirement	\$110,000	
Inflation protection until Ray's age 80	3.00	%
Cumulative shortfall in retirement funds	\$0	
Non-locked-in capital at end of the planning period	\$1,352,524	

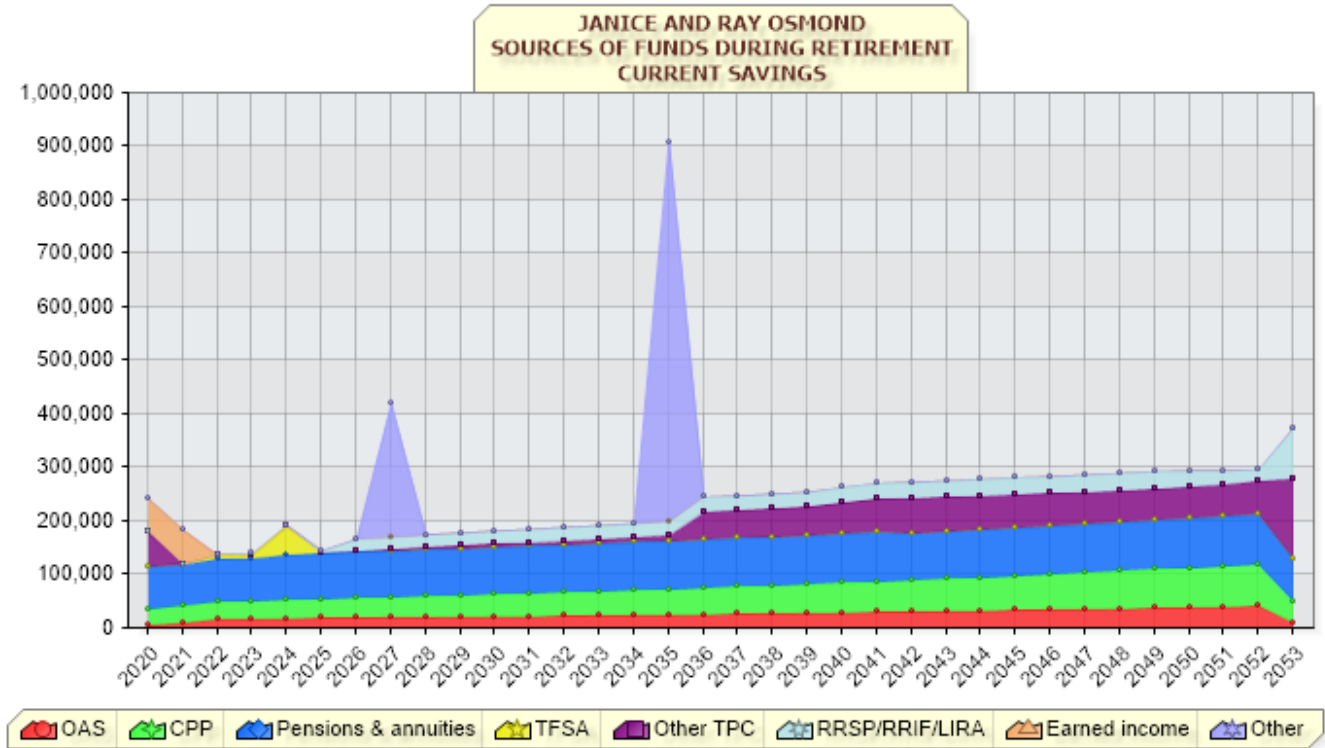
Scenario 2 shows that with lifestyle expenditures in current dollars of \$135,000 and inflation protection of 2.00%, you would have a cumulative shortfall of \$104,000.

Scenario 3 shows that with lifestyle expenditures in current dollars of \$110,000 and inflation protection of 3.00%, you would have a cumulative shortfall of \$0.

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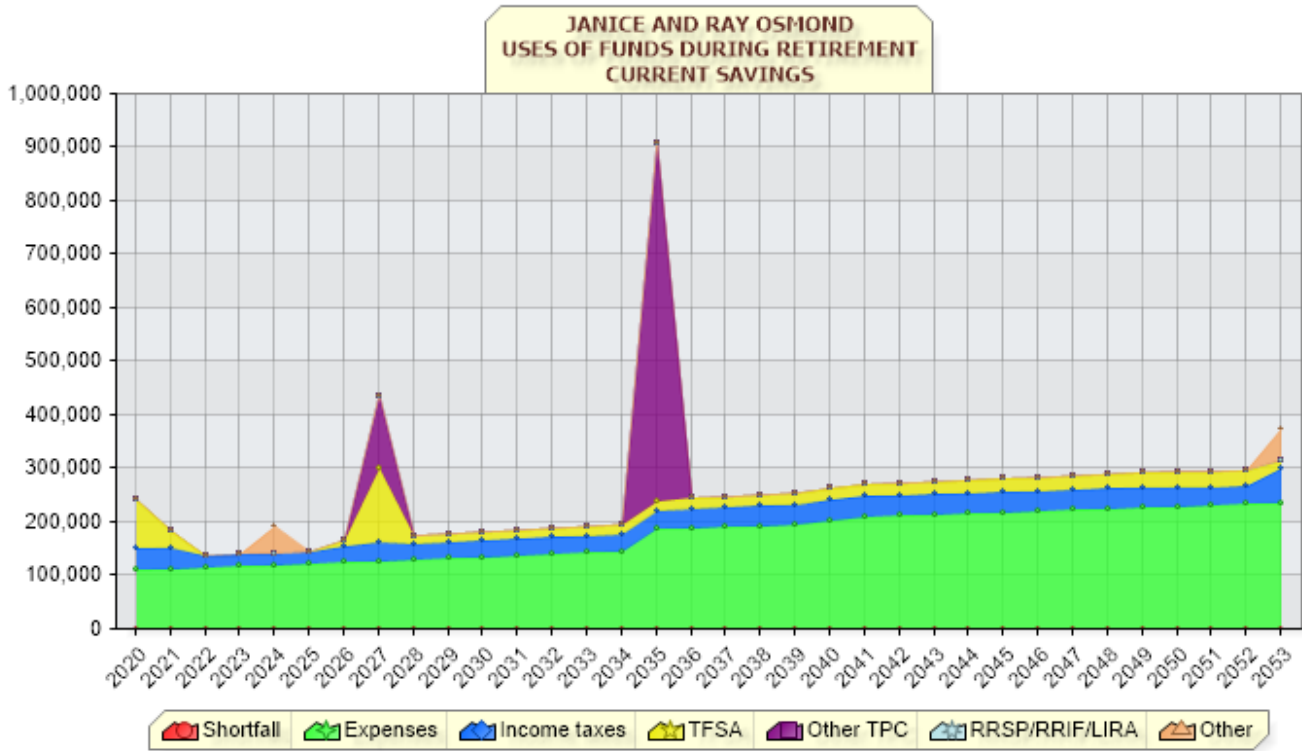
4. Retirement Income Projections

The following graph illustrates your projected sources of funds during retirement based upon the assumptions in the plan. Sources of funds are amounts of income from employment and pensions, funds from the investment return and dispositions of various investments, and funds from the sale of assets.



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The following graph illustrates your projected uses of funds during retirement based upon the assumptions in the plan. Uses of funds are amounts used to pay for income taxes and lifestyle expenditures; amounts of additional savings in RRSPs, TFSA's and tax-paid capital; and amounts used for the purchase of assets.

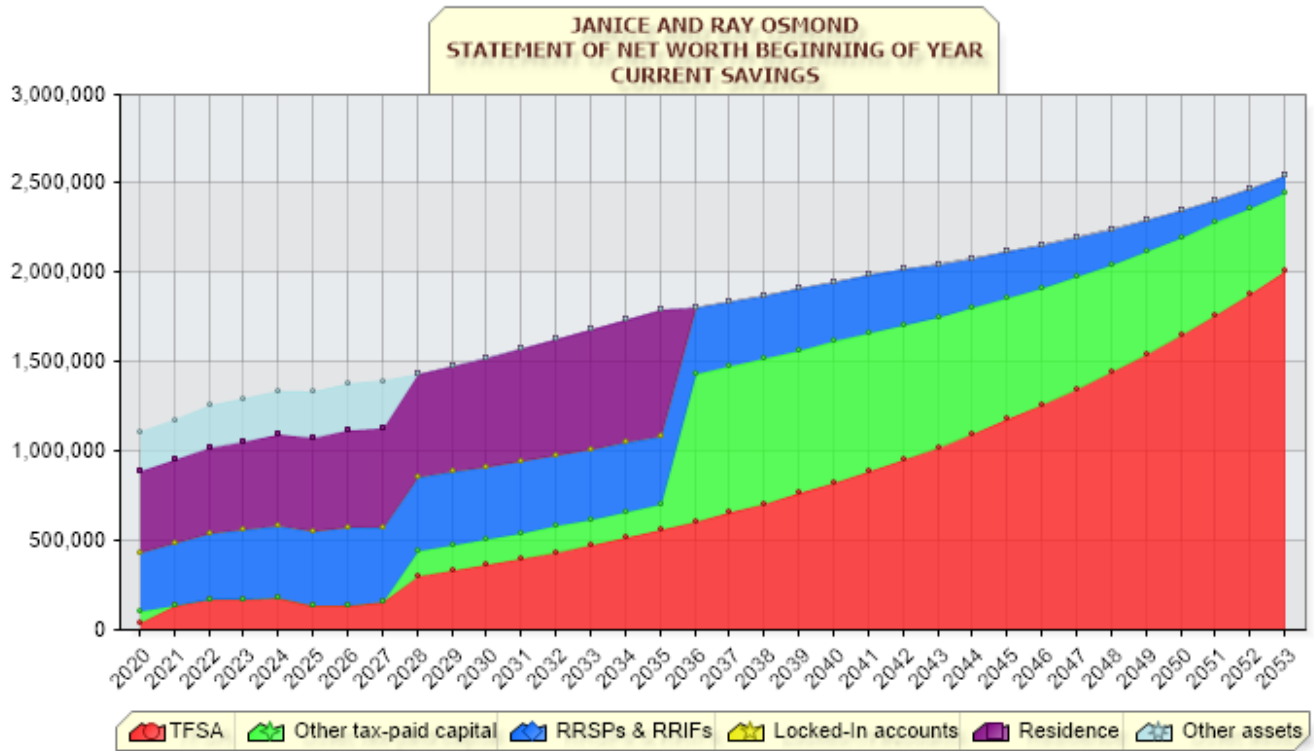


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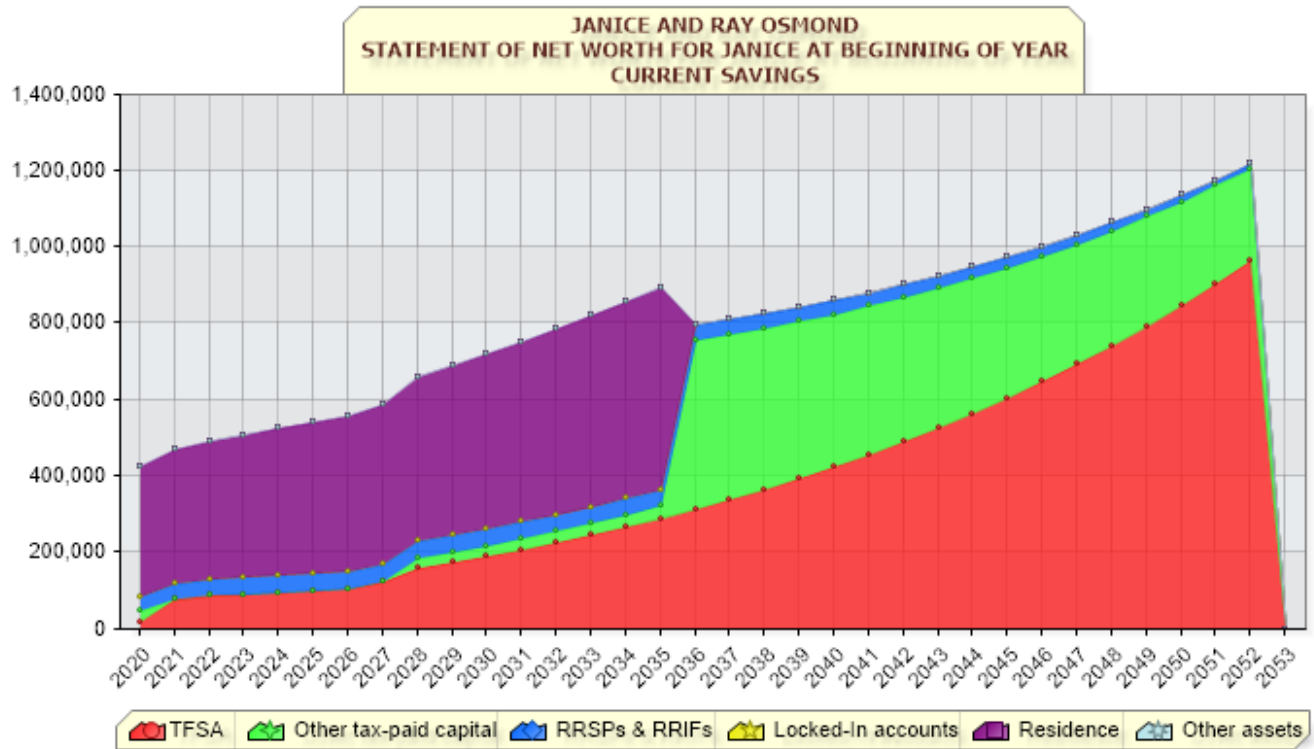
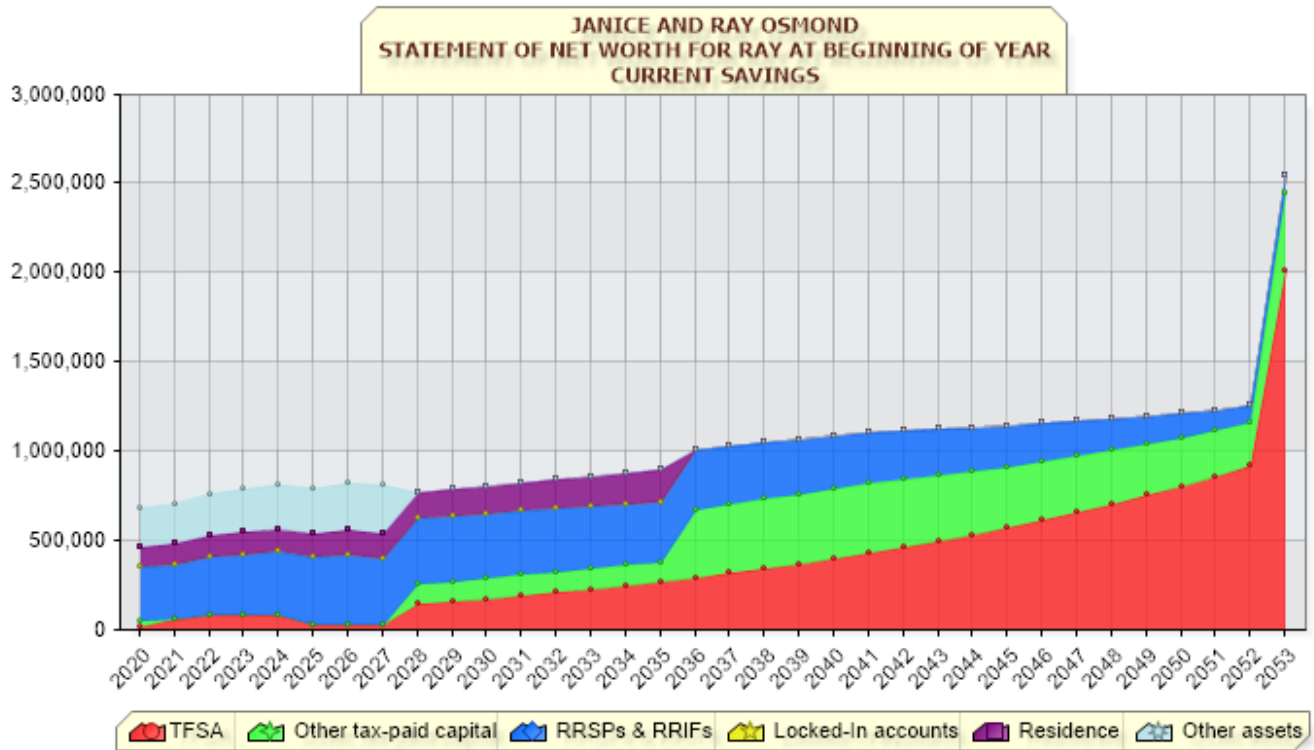
5. Projections of Net Worth

Your net worth is your assets less your liabilities. Your assets include the amounts that you have accumulated in tax-free savings accounts, other tax-paid capital, RRSPs and RRIFs, principal residences, and other assets. The Software does not track liabilities during retirement.

The following graphs illustrate your projected net worth during retirement based upon the assumptions in the plan.



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6. Assets Left Upon Death

In the year of death, the assets of the deceased are transferred to beneficiaries through joint tenancies, beneficiary designations and bequests.

The Income Tax Act imposes certain taxes on tax-deferred funds in RRSPs/RRIFs/LIRAs and on capital appreciation of assets held as tax-paid capital to the extent that these assets are not rolled over to a surviving spouse/common-law partner. The amounts in a tax-free savings account are tax free upon death and would never be included in the deceased's taxable income for the year of death.

If there is no rollover to a spouse/common-law partner, the amounts for the tax-paid capital are tax free, except to the extent that there is capital appreciation in the assets, and any capital appreciation would be included in the deceased's taxable income for the year of death. If there is no rollover to a spouse/common-law partner, the amounts for the RRSPs/RRIFs/LIRAs would be included in the deceased's taxable income for the year of death.

JANICE AND RAY OSMOND

ASSETS REMAINING AFTER YEARS OF DEATH BASED UPON CURRENT SAVINGS

AS AT JANUARY 1, 2020

	Tax-Free Savings Account	Tax-Paid Capital	RRSP RRIF	Locked-in Retirement Account	Total
Death of Ray in 2053					
Assets at beginning of year	\$2,007,396	\$445,572	\$91,091	\$0	\$2,544,059
Contributions/Savings	15,500	0	0	N/A	15,500
Transfers from pensions plans	N/A	N/A	0	0	0
Investment income & appreciation	100,753	11,997	4,105	0	116,855
Less: Withdrawals	0	(142,722)	(18,218)	0	(160,940)
Less: Purchases of annuities	N/A	N/A	0	0	0
Assets at end of year of death	2,123,649	314,847	76,978	0	2,515,474
Less: Assets rolled over to spouse	0	0	0	0	0
Less: Income taxes in year of death	N/A	N/A	(18,270)	0	(18,270)
Tax-paid capital transferred to estate or other beneficiaries	\$2,123,649	\$314,847	\$58,708	\$0	\$2,497,204
Death of Janice in 2052					
Assets at beginning of year	\$964,164	\$241,199	\$11,830	\$0	\$1,217,193
Contributions/Savings	15,000	0	0	N/A	15,000
Transfers from pensions plans	N/A	N/A	0	0	0
Investment income & appreciation	48,579	7,311	533	0	56,423
Less: Withdrawals	0	(25,724)	(2,366)	0	(28,090)
Less: Purchases of annuities	N/A	N/A	0	0	0
Assets at end of year of death	1,027,743	222,786	9,997	0	1,260,526
Less: Assets rolled over to spouse	(1,027,743)	(222,786)	(9,997)	0	(1,260,526)
Less: Income taxes in year of death	N/A	N/A	0	0	0
Tax-paid capital transferred to estate or other beneficiaries	\$0	\$0	\$0	\$0	\$0

Given the amount of assets that you may have upon death, you should prepare an estate plan. In particular, you should ensure that these assets are transferred to your beneficiaries through joint tenancies, beneficiary designations and bequests. There may also be opportunities to pass these assets to trusts for your beneficiaries. Properly done, an effective estate plan can ensure that your wishes are met, keep the estate administration costs to a minimum and take advantage of many opportunities for managing taxes upon death.

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7. Strategies to Meet Your Objectives

The purpose of the retirement plan is to determine how you can use your financial resources to meet your retirement objectives, which are:

- to maintain your desired standard of living throughout 34 years of Ray's retirement and 33 years of Janice's retirement;
- to maintain your standard of living as measured by lifestyle expenditures of \$110,000 per year in current dollars plus inflation protection of 2.00%; and
- to enable your surviving spouse to maintain their standard of living.

Based upon the Projections of Retirement Income, Scenario 1 shows that with lifestyle expenditures in current dollars of \$110,000 and inflation protection of 2.00%, you would have a cumulative shortfall of \$0.

Based upon the assumptions in the plan, the surviving spouse may not be able to maintain his/her standard of living. However, you will have to prepare and implement an estate plan that provides for a smooth transfer of assets: using named beneficiary designations, joint ownership and bequests as appropriate.

The projections included in the plan are based upon certain principles for the use of tax-paid capital, tax-free savings accounts and registered retirement savings plan. The amounts of withdrawals and contributions in the projections are based upon these principles and I suggest that you use these amounts to guide your conversion of funds into income and your investment of excess funds.

Retirement planning is an ongoing process and you will have to update your plan on a regular basis as investment returns, income taxes and your expenses change. I suggest that you revise your plan annually.

The End

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Appendix A Statement of Net Worth

Your net worth is the sum of your assets less any liabilities. While your net worth will change over your life, your current net worth is a starting point in determining your ability to meet your retirement objectives.

JANICE AND RAY OSMOND STATEMENT OF NET WORTH AS AT JANUARY 1, 2020

ASSETS	RAY	JANICE	TOTAL
Liquid Assets			
Chequing Account	\$4,000	\$4,200	\$8,200
Other	9,000	12,000	21,000
	13,000	16,200	29,200
Registered Retirement Assets			
Registered Retirement Savings Plans (RRSPs) & Registered Retirement Income Funds (RRIFs)	295,000	39,500	334,500
Investment and Business Assets			
Tax-Free Savings Accounts	19,000	19,100	38,100
Tax-Paid Capital	35,500	26,800	62,300
	54,500	45,900	100,400
Personal Use Assets			
Principal Residence	113,500	340,500	454,000
Cottage and Property 2	63,000	0	63,000
Chalet and Property 4	156,000	0	156,000
	332,500	340,500	673,000
TOTAL ASSETS	\$695,000	\$442,100	\$1,137,100
LIABILITIES AND NET WORTH	RAY	JANICE	TOTAL
Current Liabilities			
Credit Cards	\$1,500	\$1,500	\$3,000
Estimated Deferred Income Taxes	0	0	0
Net Worth	693,500	440,600	1,134,100
TOTAL LIABILITIES AND NET WORTH	\$695,000	\$442,100	\$1,137,100

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Appendix B Facts and Assumptions

Your retirement plan is based upon a number of facts, such as your current age and the amounts of various investable assets that you own. It is also based upon a number of assumptions, such as the number of years of retirement and the investment return on your TFSAs. The assumptions used are not certain to occur and other events not reflected in the assumptions may occur. If events do not occur as assumed, the actual results achieved may vary significantly from the projected outcome.

JANICE AND RAY OSMOND FACTS AND ASSUMPTIONS FOR RETIREMENT PLAN AS AT JANUARY 1, 2020

	RAY	JANICE
Dates of birth and years of retirement		
Date of birth	April 14, 1954	October 22, 1953
Age at January 1, 2020	65 years, 262 days	66 years, 71 days
Number of years before retirement	0	0
True	34	33
Age at end of retirement planning period	99 years, 262 days	99 years, 71 days
Employer pensions		
Later of January 1, 2020 & date payments commence	January 1, 2020	January 1, 2020
Age at which pension payments commence	65 years, 262 days	66 years, 71 days
Annual pension income at that age	\$49,250	\$29,500
Bridging supplement to age 65	\$9,200	\$0
Indexation of pension income, if any	0.00 %	1.00 %
Survivor's benefit	60.00 %	60.00 %
Canada Pension Plan		
Later of January 1, 2020 & date payments commence	January 1, 2020	January 1, 2020
Age later of January 1, 2020 & date payments commence	65 years, 262 days	66 years, 71 days
Base CPP Pension		
Maximum retirement benefit at this age in current dollars	\$15,008	\$15,601
Adjustment for early or late commencement	6.30 %	10.50 %
Retirement benefits in current dollars	\$15,008	\$15,601
Survivor's benefit	0.00 %	0.00 %
Old Age Security		
Earliest date at which OAS benefits could commence	May 1, 2019	November 1, 2018
Number of months to defer receipt of OAS benefits	24	0
Month that Old Age Security benefits commence	May 1, 2021	November 1, 2018
Maximum Old Age Security at 65 in current dollars	\$7,347	\$7,347
Old Age Security entitlement in current dollars	\$7,347	\$7,347
Tax-Free Savings Accounts		
Do you wish to use TFSAs?	Yes	Yes
Valuation date during the last year or the current year	January 1, 2020	January 1, 2020
Value of TFSAs at January 1, 2020	\$19,000	\$19,100
Investment return on TFSAs	5.00 %	5.00 %
Value of current TFSAs at January 1, 2020	\$19,000	\$19,100
TFSAs contribution room at December 31, 2019	\$49,500	\$49,400
Survivor's benefit	100.00 %	100.00 %
Registered Retirement Savings Plans (RRSPs) and Registered Retirement Income Funds (RRIFs)		
Valuation date during the last year or the current year	January 1, 2020	January 1, 2020
Value of RRSPs/RRIFs January 1, 2020	\$295,000	\$39,500
Investment return on RRSPs/RRIFs	5.00 %	5.00 %
Value of current RRSPs/RRIFs at January 1, 2020	\$295,000	\$39,500
RRSP contribution room as at January 1, 2020	\$0	\$0
Registered Retirement Income Funds (RRIFs)		
Date at which annuitant turns 71 years of age	April 14, 2025	October 22, 2024
Date at which annuitant transfers RRSP funds to RRIF	April 14, 2025	October 22, 2022
First year for minimum RRIF withdrawals	2026	2023
Survivor's benefit	100.00 %	100.00 %

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Tax-Paid Capital

Valuation date during the last year or the current year	January 1, 2020	January 1, 2020
Value of capital at January 1, 2020	\$35,500	\$26,800
After-tax investment return until 1st year of retirement	0.00 %	0.00 %
Value of tax-paid capital at January 1, 2020	\$35,500	\$26,800
Adjusted cost base of current savings at retirement	\$29,500	\$25,500
Survivor's benefit	100.00 %	100.00 %
Allocation of tax-paid capital to fixed income	20.00 %	20.00 %
Rate of interest on fixed income after retirement	3.00 %	3.00 %
Allocation of tax-paid capital to equity investments	80.00 %	80.00 %
Rate of eligible dividends on equities	1.00 %	1.00 %
Rate of non-eligible dividends on equities	0.00 %	0.00 %
Rate of other income on equities	1.00 %	1.00 %
Rate of appreciation of equities	4.00 %	4.00 %
Rate of turnover of equities	20.00 %	15.00 %
Lifestyle expenditures at retirement in current dollars	\$110,000	
Inflation expected - Consumer Price Index	3.00 %	
Increase in lifestyle expenditures during retirement	2.00 %	
When the age of Ray at January 1 is	80	
change the inflation protection	1.00 %	
When the age of Ray at January 1 is	85	86
change the lifestyle expenditures by current dollars of	\$4,000	\$3,000
change the lifestyle expenditures by future dollars of	\$5,944	\$4,547

Principal Residence

	1st Disposition	2nd Disposition
Fair market values at January 1, 2020 and January 1, 2020	\$454,000	\$0
Ownership interest of client	25.00 %	0.00 %
Annual rate of appreciation expected	3.00 %	0.00 %
Date of sale of property after January 1, 2020, if ever	January 1, 2035	January 1, 2020
Proceeds of sale	\$707,332	\$0
Proceeds used to purchase new principal residence	\$0	\$0
Change in lifestyle expenditures in the year of sale		
- in current dollars	\$25,900	\$0
- in future dollars	\$40,352	\$0

Other capital property

	RAY	JANICE
Description of property	Cottage	Property 2
Date of sale of property after January 1, 2020, if ever	January 1, 2027	January 1, 2020
Fair market value of property at January 1, 2020	\$63,000	\$0
Annual rate of appreciation expected	5.00 %	0.00 %
Proceeds of sale	\$88,650	\$0
Taxable capital gain (allowable loss)	\$0	\$0
Recapture of capital cost allowance (terminal loss)	\$0	\$0
Non-taxable proceeds of sale	\$88,650	\$0

Second capital property

	RAY	JANICE
Description of property	Chalet	Property 4
Date of sale of property after January 1, 2020, if ever	January 1, 2027	January 1, 2020
Fair market value of property at January 1, 2020	\$156,000	\$0
Annual rate of appreciation expected	2.00 %	0.00 %
Proceeds of sale	\$179,197	\$0
Taxable capital gain (allowable loss)	\$18,000	\$0
Recapture of capital cost allowance	\$0	\$0
Non-taxable proceeds of sale	\$161,197	\$0

Purchase of annuities

	RAY	JANICE
Purchase of registered annuities		
Later of January 1, 2020 and date of purchase	January 1, 2026	January 1, 2020
Cost of annuity withdrawn from RRSP/RRIF	\$22,500	\$0
Amount of annual income	\$1,900	\$0
Indexation of income, if any	2.00 %	0.00 %
Date of last payment if term annuity	January 1, 2020	January 1, 2020
Survivor's benefit for life annuity, if any	100.00 %	100.00 %

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Purchase of prescribed annuities

Later of January 1, 2020 and date of purchase	January 1, 2024	January 1, 2020
Cost of the prescribed annuity	\$50,000	\$0
Taxable amount of annual income	\$2,000	\$0
Non-taxable amount of annual income	\$2,500	\$0
Date of last payment if term annuity	December 31, 2041	January 1, 2020
Survivor's benefit for life annuity, if any	100.00 %	100.00 %

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Appendix C Detailed Projections of Retirement Incomes

In order to prepare your retirement plan, it was necessary to prepare the following post-retirement income projections. These projections involved calculating the amounts of various pension incomes, the funds that your savings could provide and your income taxes. The target retirement income is your lifestyle expenditures as adjusted for inflation. Of course, the actual results will vary from the projections as events unfold.

JANICE AND RAY OSMOND

PROJECTIONS OF RETIREMENT INCOMES

	2020	2021	2022	2023	2024	2025
Retirement funds from Ray/ Age	65	66	67	68	69	70
Employment & business income	\$48,000	\$48,250	\$0	\$0	\$0	\$0
Pension incomes	49,250	49,250	49,250	49,250	49,250	49,250
Canada (Quebec) Pension Plan	15,008	15,458	15,922	16,400	16,892	17,399
Old Age Security	0	5,772	8,917	9,185	9,461	9,745
Clawback of Old Age Security	0	(5,772)	0	0	0	0
Income from tax-paid capital & CCPCs	3,737	1	0	0	0	0
Taxable annuity incomes	0	0	0	0	2,000	2,000
Taxable income	115,995	112,959	74,089	74,835	77,603	78,394
Income taxes without pension income split	(30,323)	(28,469)	(13,775)	(13,718)	(14,312)	(14,250)
Reduction in Income Taxes with Income Split	2,885	1,037	0	0	0	0
Recovery (Loss) of OAS with Income Split	(2,212)	1,670	0	0	0	0
Funds from (to) tax-free savings account	(36,062)	(25,209)	7,003	6,140	52,707	3,112
Funds from (to) tax-paid capital	36,062	3	0	0	0	0
Adjustments for tax-paid capital & CCPCs	(3,338)	(1)	0	0	0	0
Non-taxable annuity income	0	0	0	0	2,500	2,500
Purchase/sale of assets & bequests	0	0	0	0	(50,000)	0
Retirement funds	\$83,007	\$61,990	\$67,317	\$67,257	\$68,498	\$69,756
Assets of Ray at beginning of year						
Tax-free savings accounts	\$19,000	\$56,903	\$85,580	\$82,683	\$80,526	\$30,544
Other tax-paid capital	35,500	3	0	0	0	0
RRSPs & RRIFs	295,000	309,750	325,238	341,500	358,575	376,504
Other assets	332,500	342,175	352,172	362,503	373,182	384,220
Total assets	\$682,000	\$708,831	\$762,990	\$786,686	\$812,283	\$791,268
Retirement funds from Janice / Age	66	67	68	69	70	71
Employment & business income	\$15,000	\$15,000	\$0	\$0	\$0	\$0
Pension incomes	29,500	29,795	30,093	30,394	30,698	31,005
Canada (Quebec) Pension Plan	15,601	16,069	16,551	17,048	17,559	18,086
Old Age Security	7,347	7,567	7,794	8,028	8,269	8,517
Minimum RRIF withdrawal	0	0	0	2,078	2,185	2,297
Income from tax-paid capital & CCPCs	1,205	1	3	0	0	0
Taxable income	68,653	68,432	54,441	57,548	58,711	59,905
Income taxes without pension income split	(12,538)	(12,221)	(7,358)	(8,072)	(8,141)	(8,212)
Funds from (to) tax-free savings account	(55,400)	(6,000)	0	0	0	0
Funds from (to) tax-paid capital	27,182	0	47	0	0	0
Adjustments for tax-paid capital & CCPCs	(904)	(1)	(3)	0	0	0
Retirement funds	\$26,993	\$50,210	\$47,127	\$49,476	\$50,570	\$51,693
Assets of Janice at beginning of year						
Tax-free savings accounts	\$19,100	\$76,823	\$86,812	\$91,153	\$95,711	\$100,497
Other tax-paid capital	26,800	45	46	0	0	0
RRSPs & RRIFs	39,500	41,475	43,549	45,726	45,883	45,938
Other assets	340,500	350,715	361,236	372,074	383,236	394,733
Total assets	\$425,900	\$469,058	\$491,643	\$508,953	\$524,830	\$541,168
Retirement funds from Ray	\$83,007	\$61,990	\$67,317	\$67,257	\$68,498	\$69,756
Retirement funds from Janice	26,993	50,210	47,127	49,476	50,570	51,693
After-tax shortfall (surplus)	0	0	0	0	0	0
Target Retirement Income	\$110,001	\$112,200	\$114,444	\$116,733	\$119,068	\$121,449

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JANICE AND RAY OSMOND

PROJECTIONS OF RETIREMENT INCOMES

	2026	2027	2028	2029	2030	2031
Retirement funds from Ray/ Age	71	72	73	74	75	76
Employment & business income	\$0	\$0	\$0	\$0	\$0	\$0
Pension incomes	49,250	49,250	49,250	49,250	49,250	49,250
Canada (Quebec) Pension Plan	17,921	18,459	19,013	19,583	20,170	20,775
Old Age Security	10,037	10,338	10,648	10,967	11,296	11,635
Clawback of Old Age Security	(1,402)	(3,932)	(1,213)	(1,027)	(823)	(591)
Minimum RRIF withdrawal	20,873	20,015	20,388	20,764	21,141	21,513
Income from tax-paid capital & CCPCs	0	1,624	3,088	3,490	3,831	4,061
Capital gains and recapture of CCA	0	18,000	0	0	0	0
Taxable annuity incomes	3,900	3,938	3,977	4,016	4,057	4,098
Taxable income	100,579	117,692	105,151	107,043	108,922	110,741
Income taxes without pension income split	(21,181)	(26,547)	(21,648)	(21,888)	(22,117)	(22,314)
Reduction in Income Taxes with Income Split	(444)	(971)	(396)	(350)	(295)	(236)
Recovery (Loss) of OAS with Income Split	1,402	3,932	1,213	1,027	823	591
Funds from (to) tax-free savings account	0	(109,191)	(7,500)	(7,500)	(8,000)	(8,000)
Funds from (to) tax-paid capital	0	(110,555)	1,996	2,240	3,476	3,679
Adjustments for tax-paid capital & CCPCs	0	(351)	(533)	(900)	(1,226)	(1,454)
Non-taxable annuity income	2,500	2,500	2,500	2,500	2,500	2,500
Purchase/sale of assets & bequests	0	249,847	0	0	0	0
Retirement funds	\$82,856	\$126,356	\$80,783	\$82,172	\$84,083	\$85,507
Assets of Ray at beginning of year						
Tax-free savings accounts	\$28,882	\$30,326	\$143,730	\$158,602	\$174,217	\$191,125
Other tax-paid capital	0	0	112,307	113,873	115,241	115,398
RRSPs & RRIFs	395,329	370,651	368,674	366,216	363,250	359,749
Other assets	395,632	407,433	143,778	148,092	152,535	157,111
Total assets	\$819,843	\$808,410	\$768,489	\$786,783	\$805,243	\$823,383
Retirement funds from Janice / Age	72	73	74	75	76	77
Employment & business income	\$0	\$0	\$0	\$0	\$0	\$0
Pension incomes	31,315	31,628	31,944	32,264	32,586	32,912
Canada (Quebec) Pension Plan	18,629	19,188	19,764	20,357	20,968	21,597
Old Age Security	8,773	9,036	9,307	9,586	9,874	10,170
Minimum RRIF withdrawal	2,423	2,467	2,513	2,560	2,606	2,652
Income from tax-paid capital & CCPCs	0	383	719	804	881	954
Taxable income	61,140	62,702	64,247	65,571	66,915	68,285
Income taxes without pension income split	(8,286)	(8,419)	(8,536)	(8,605)	(8,673)	(8,734)
Funds from (to) tax-free savings account	(11,832)	(28,168)	(7,500)	(7,500)	(8,000)	(8,000)
Funds from (to) tax-paid capital	0	(26,033)	0	0	0	0
Adjustments for tax-paid capital & CCPCs	0	(82)	(111)	(177)	(235)	(286)
Retirement funds	\$41,022	\$0	\$48,100	\$49,289	\$50,007	\$51,265
Assets of Janice at beginning of year						
Tax-free savings accounts	\$105,522	\$122,922	\$157,932	\$173,514	\$189,875	\$207,566
Other tax-paid capital	0	0	26,445	27,291	28,164	29,065
RRSPs & RRIFs	45,881	45,692	45,449	45,146	44,780	44,349
Other assets	406,575	418,772	431,335	444,275	457,604	471,332
Total assets	\$557,978	\$587,386	\$661,161	\$690,226	\$720,423	\$752,312
Retirement funds from Ray	\$82,856	\$126,356	\$80,783	\$82,172	\$84,083	\$85,507
Retirement funds from Janice	41,022	0	48,100	49,289	50,007	51,265
After-tax shortfall (surplus)	0	0	0	0	0	0
Target Retirement Income	\$123,878	\$126,356	\$128,882	\$131,460	\$134,090	\$136,772

**The plan can include Projections of Retirement Incomes
for up to 54 years of retirement.**

POST-RETIREMENT PLAN

Appendix D Income Tax Projections

In order to prepare your retirement plan, it was necessary to prepare the following income tax projections. These projections involved calculating your income taxes, but necessarily based upon the current income tax rules. Of course, the actual results will vary from the projections as events unfold and changes are made to the Income Tax Act.

JANICE AND RAY OSMOND

INCOME TAXES DURING RETIREMENT WITH PENSION INCOME SPLITTING

	2020	2021	2022	2023	2024	2025
Income Taxes for Ray / Age	65	66	67	68	69	70
Taxable Income	\$115,995	\$112,959	\$74,089	\$74,835	\$77,603	\$78,394
Pension Income Split with Spouse	(23,671)	(22,264)	0	0	0	0
Change in amount of OAS Clawback	0	3,288	0	0	0	0
Adjusted Taxable Income	\$92,324	\$93,983	\$74,089	\$74,835	\$77,603	\$78,394
Federal Tax on Taxable Income	\$16,257	\$16,517	\$12,356	\$12,424	\$12,904	\$12,976
Personal Tax Credit	(1,845)	(1,900)	(1,957)	(2,016)	(2,076)	(2,139)
Age Tax Credit Allowed	0	0	(468)	(515)	(518)	(569)
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Federal Dividend Tax Credit	(30)	0	0	0	0	0
Total Federal Tax	14,082	14,317	9,631	9,593	10,010	9,968
Provincial Tax on Taxable Income	6,670	6,747	4,833	4,843	5,036	5,047
Personal Tax Credit	(545)	(561)	(578)	(595)	(613)	(631)
Age Tax Credit Allowed	0	0	(36)	(48)	(46)	(59)
Pension Income Tax Credit	(75)	(75)	(75)	(75)	(75)	(75)
Dividend Tax Credit	(20)	0	0	0	0	0
Provincial Surtax	244	227	0	0	0	0
Total Provincial Tax	6,274	6,338	4,144	4,125	4,302	4,282
Total Income Tax	\$20,356	\$20,655	\$13,775	\$13,718	\$14,312	\$14,250
Income Taxes for Janice / Age	66	67	68	69	70	71
Taxable Income	\$68,653	\$68,432	\$54,441	\$57,548	\$58,711	\$59,905
Pension Income Split with Spouse/Partner	23,671	22,264	0	0	0	0
Change in amount of OAS Clawback	(2,212)	(1,618)	0	0	0	0
Adjusted Taxable Income	\$90,112	\$89,077	\$54,441	\$57,548	\$58,711	\$59,905
Federal Tax on Taxable Income	\$15,804	\$15,511	\$8,328	\$8,880	\$9,031	\$9,186
Personal Tax Credit	(1,845)	(1,900)	(1,957)	(2,016)	(2,076)	(2,139)
Age Tax Credit Allowed	0	(68)	(910)	(904)	(944)	(985)
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Federal Dividend Tax Credit	(23)	0	0	0	0	0
Total Federal Tax	13,636	13,243	5,161	5,660	5,711	5,762
Provincial Tax on Taxable Income	6,424	6,261	3,035	3,261	3,307	3,355
Personal Tax Credit	(545)	(561)	(578)	(595)	(613)	(631)
Age Tax Credit Allowed	0	0	(185)	(179)	(189)	(199)
Pension Income Tax Credit	(75)	(75)	(75)	(75)	(75)	(75)
Dividend Tax Credit	(15)	0	0	0	0	0
Provincial Surtax	195	130	0	0	0	0
Total Provincial Tax	5,984	5,755	2,197	2,412	2,430	2,450
Total Income Tax	\$19,620	\$18,998	\$7,358	\$8,072	\$8,141	\$8,212

POST-RETIREMENT PLAN

JANICE AND RAY OSMOND INCOME TAXES DURING RETIREMENT WITH PENSION INCOME SPLITTING

	2026	2027	2028	2029	2030	2031
Income Taxes for Ray / Age	71	72	73	74	75	76
Taxable Income	\$100,579	\$117,692	\$105,151	\$107,043	\$108,922	\$110,741
Pension Income Split with Spouse	(19,720)	(27,495)	(20,452)	(20,736)	(21,004)	(21,228)
Change in amount of OAS Clawback	1,402	3,932	1,213	1,027	823	591
Adjusted Taxable Income	\$82,261	\$94,129	\$85,912	\$87,334	\$88,741	\$90,104
Federal Tax on Taxable Income	\$13,676	\$16,013	\$14,230	\$14,420	\$14,604	\$14,776
Personal Tax Credit	(2,203)	(2,269)	(2,337)	(2,407)	(2,479)	(2,553)
Age Tax Credit Allowed	(552)	(357)	(616)	(660)	(707)	(758)
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Federal Dividend Tax Credit	0	(96)	(193)	(196)	(197)	(197)
Total Federal Tax	10,621	12,991	10,784	10,857	10,921	10,968
Provincial Tax on Taxable Income	5,337	6,357	5,537	5,598	5,655	5,705
Personal Tax Credit	(650)	(670)	(690)	(711)	(732)	(754)
Age Tax Credit Allowed	(49)	0	(62)	(73)	(84)	(96)
Pension Income Tax Credit	(75)	(75)	(75)	(75)	(75)	(75)
Dividend Tax Credit	0	(64)	(129)	(131)	(131)	(131)
Total Provincial Tax	4,563	5,548	4,581	4,608	4,633	4,649
Total Income Tax	\$15,184	\$18,539	\$15,365	\$15,465	\$15,554	\$15,617
Income Taxes for Janice / Age	72	73	74	75	76	77
Taxable Income	\$61,140	\$62,702	\$64,247	\$65,571	\$66,915	\$68,285
Pension Income Split with Spouse/Partner	19,720	27,495	20,452	20,736	21,004	21,228
Change in amount of OAS Clawback	0	0	0	0	0	0
Adjusted Taxable Income	\$80,860	\$90,197	\$84,699	\$86,307	\$87,919	\$89,513
Federal Tax on Taxable Income	\$13,389	\$15,207	\$13,982	\$14,210	\$14,436	\$14,655
Personal Tax Credit	(2,203)	(2,269)	(2,337)	(2,407)	(2,479)	(2,553)
Age Tax Credit Allowed	(583)	(445)	(643)	(683)	(726)	(771)
Pension Income Tax Credit	(300)	(300)	(300)	(300)	(300)	(300)
Federal Dividend Tax Credit	0	(23)	(46)	(47)	(49)	(51)
Total Federal Tax	10,303	12,170	10,656	10,773	10,882	10,980
Provincial Tax on Taxable Income	5,208	5,997	5,426	5,504	5,579	5,651
Personal Tax Credit	(650)	(670)	(690)	(711)	(732)	(754)
Age Tax Credit Allowed	(59)	(9)	(71)	(81)	(90)	(101)
Pension Income Tax Credit	(75)	(75)	(75)	(75)	(75)	(75)
Dividend Tax Credit	0	(15)	(31)	(32)	(33)	(34)
Total Provincial Tax	4,424	5,228	4,559	4,605	4,649	4,687
Total Income Tax	\$14,727	\$17,398	\$15,215	\$15,378	\$15,531	\$15,667

**The plan can include Income Tax Projections
for up to 54 years of retirement.**

The End

POST-RETIREMENT PLAN

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