

# **RRSP MOVEMENT**

# **THE TAX LIABILITY OF YOUR RRSP FUNDS GOING FORWARD**

**A \$200,000 RRSP AT AGE 45 WILL  
DOUBLE IN VALUE EVERY 7.2 YRS.  
USING A 10% RETURN**

# **HERE IS AN EXAMPLE HOW THE TAX LIABILITY WILL GROW**

- \$200,000 AT AGE 45
- \$400,000 AT AGE 52
- \$800,000 AT AGE 60
- \$1,600,000 AT AGE 67

**ALL WITHOUT ADDING ANY ADDITIONAL  
DEPOSITS.**

- **THEREFORE AT AGE 67 YOU NOW HAVE \$1,600,000 IN RRSP FUNDS**
- **YOU THINK YOU WOULD BE HAPPY UNTIL WE SAY YOU HAVE A PARTNER - THE CRA**

**WHILE YOU ARE ALIVE IF YOU  
ONLY TAKE THE 10% PROFIT YOU  
MAKE EACH YEAR AS INCOME.**

**THAT IS \$160,000 OF TAXABLE  
INCOME  
AT A 40% TAX BRACKET.**

**THAT IS \$64,000 IN TAXES, EVERY  
YEAR, FOR THE REST OF YOUR LIFE  
UNTIL YOU DIE.**

**IS THIS A GOOD INVESTMENT?**

# WHEN YOU DIE

- If you have a spouse it can be transferred to them without tax.
- If you do not have a spouse or when your spouse dies, the whole \$1,600,000 is taxable.

Currently, anything over \$220,000 is taxable at  
53.55%

## IS THIS A GOOD INVESTMENT?

**NOW THAT WE KNOW THE TAX ISSUE  
LETS TRY THIS**

**RRSP**  
**\$300,000.**



**B2B LOAN**  
**\$300,000.**



# **B2B INVESTMENT LOAN:**

**\$300,000.00**

- 1. INTEREST ONLY MONTHLY PAYMENTS =  
Approximately \$1,000. per month**
- 2. INTEREST ON ANY LOAN USED TO CREATE  
INCOME IS TAX DEDUCTIBLE**

**RRSP \$300,000**

**Use a monthly withdrawal from  
your RRSP each month to Fund the  
B2B Investment Loan of  
approximately \$1,000. plus  
withholding tax of 10%**

# SO IT LOOKS LIKE THIS.

**RRSP**

**\$300,000.**

**WITHDRAW EACH  
MONTH \$1,000. PLUS  
WITHHOLDING TAX**



**B2B INVEST.  
LOAN**

**\$300,000.**

**INTEREST ONLY  
PAYMENT  
APPROXIMATELY  
\$1,000. PER  
MONTH**

# B2B INVESTMENT LOAN PROCEEDS

- **1. Are invested in segregated funds that protects your principal at maturity so that you are mitigating the risk.**
- **2. The collateral for the investment loan is the assigned segregated funds account you just purchased.**

**SO LET'S LOOK AT A 10% RATE OF RETURN**

**IF YOU MAKE 10% RETURN ON YOUR \$300,000. RRSP**

**YOUR RRSP INCREASES TO \$330,000.**

**BUT WHAT HAPPENS WHEN YOU USE**

**YOUR RRSP TO FUND THE INVESTMENT LOAN**

**YOUR \$300,000. B2B INVESTMENT LOAN WILL  
ALSO GROW AT 10%, EARNING A PROFIT OF \$30,000.  
THAT IS YOUR MONEY**

**WHAT IF WE CONTINUED TO AVERAGE 20% WHICH WE  
HAVE DONE FOR 38 YRS. REMEMBER IT IS A WHAT IF**

**20% ON \$300,000. RRSP = \$60,000.**

**IF NOT USING RRSP MELTDOWN STRATEGY YOU ARE  
NOW AT  
\$360,000. USING OUR INVESTMENT APPROACH.**



**HOWEVER, IF YOU USE THE RRSP MELTDOWN STRATEGY YOUR \$60,000. RRSP PROFIT MINUS \$12,000. = NET \$48,000.**

**YOUR 20% EARNED ON THE \$300,000. LOAN IS \$60,000. SO YOUR NET RETURN IS \$108,000  
[\$48,000 + \$60,000] OR 36.10%**

# **BONUS ACCELERATOR**

**WHAT IF YOU HAVE UNUSED RRSP ROOM OF \$100,000.  
MAYBE UNDER THE CURRENT WAY YOU'RE DOING  
THINGS, YOU JUST DO NOT HAVE THE CASH FLOW TO  
TAKE ADVANTAGE OF THIS**

**BUT BY TAKING PROFITS FROM THE B2B INV. LOAN  
YOU NOW WILL BE ABLE TO USE UP ALL YOUR UNUSED  
RRSP ROOM AND**

**GET MORE SAVINGS FROM THE TAX REFUND!!**

**LET'S BE OPTIMISTIC AND SAY YOU DID EARN THE 20%  
RETURN AND WITHOUT BUYING YOUR UNUSED RRSP  
ROOM, YOUR TOTAL NET GAIN IS \$108,000. OR 36.10%  
HOWEVER, IF YOU USE YOUR \$60,000 PROFITS FROM  
YOUR B2B TO PURCHASE YOUR UNUSED RRSP FUNDS.**

**SO YOUR RRSP THAT MAKES YOU 10% HAS A PROFIT OF  
\$30,000. MINUS YOUR APPROXIMATE ANNUAL \$12,000.  
INTEREST PAYMENTS ON YOUR INV. LOAN WHICH  
LEAVES YOU WITH \$18,000. NET  
BUT ADD THE \$30,000. NON-REGISTERED PROFIT FROM  
YOUR INV. LOAN AND YOUR TOTAL RETURN IS NOW  
\$48,000. NOT \$30,000. AN INCREASE OF \$18,000. MORE.  
THEREFORE, YOUR INTEREST RETURN IS 16% VS. 10%**

**YOU GAIN A FURTHER TAX REFUND THAT IS TAX FREE AS  
IT IS A REFUND NOT INCOME AND IT IS ALSO A  
GUARANTEED 40% RETURN, SOMETHING THAT YOU  
CANNOT GET ANYWHERE ELSE.**

**THEREFORE,  $\$60,000 \times 40\% = \$24,000$ . TAX REFUND  
ADD THIS TO YOUR  $\$108,000$  AND NOW YOU HAVE A  
RETURN OF  **$\$132,000$  OR  $44.05\%$  !!****

**CAN YOU SEE THAT THE RRSP FUNDING THE  
LOAN PROGRAM CAN INCREASE YOUR  
RETURNS AND TURN YOUR DREAM OF BEING  
WEALTHY INTO REALITY?**

**AND DOUBLE YOUR RETURNS, ALL FOR NO  
EXTRA MONEY OUT OF YOUR OWN POCKET!!**

**THE ABOVE PROGRAM IS COMPLETELY FUNDED  
BY YOUR FUTURE TAXES BEING PAID TO CRA.  
THEREFORE, IT IS CRA THAT IS NOW FUNDING  
YOUR RETIREMENT.**

**THE NEXT STEP IN THIS PROCESS,  
IS TO CREATE 100%  
TAX FREE MONEY !!**