

For complete details and more information,
contact your branch today or visit www.pccu.ca



Cha-ching in *the* New Year!

The start of 2011 means you can contribute another \$5,000
into your *Tax Free Savings Account* at PCCU.



Tell your taxes to take a hike (and grow your MONEY)

BY INVESTING IN A TAX FREE SAVINGS ACCOUNT.

Wouldn't you rather put your savings into a vacation, new car or home renovation than give it to the tax man? A Tax Free Savings Account (TFSA) gives you that ability! ***It's the single most important personal savings option since the RRSP.*** A TFSA allows you to set aside your hard-earned money in an eligible investment vehicle that grows tax-free! And with the start of a new year, you are immediately eligible for an additional **\$5,000** worth of contribution room. If you haven't taken advantage of the program since it began in 2009, you now have a total of **\$15,000** worth of room in your TFSA (3 years since inception x \$5,000 per year).



WHAT MAKES A TFSA SO ATTRACTIVE TO INVESTORS?

- The interest you earn inside your TFSA is NEVER taxed – EVER! If you invest the maximum (\$5,000 a year), this will certainly add up to big money over the years. Best of all, you never pay tax on the money you accumulate!
- It's as flexible as any savings account! You can withdraw your funds at any time without paying any tax on the interest you earned. Best of all, the full amount of withdrawals can be put back into your TFSA in future years.
Re-contributing in the same year may result in an over-contribution amount which would be subject to a penalty.
- Any unused TFSA contribution room is carried forward and accumulates for future years.
- Neither income earned in a TFSA nor withdrawals affect your eligibility for federal income-tested benefits such as Old Age Security or Child Tax Benefits.
- Any Canadian resident 18 years or older can invest!
- The TFSA will provide seniors with a tax-free savings vehicle to meet ongoing savings needs, even after they reach age 71 and are required to convert their registered retirement savings into a retirement vehicle.

TFSA Investor Snapshot:



Because capital gains and other investment income earned in a TFSA are not taxed – even when withdrawn (either as they accrue or when they are withdrawn), a person contributing \$200 a month to a TFSA for 20 years will enjoy additional savings of \$11,045* compared to saving in an unregistered account.

* Combined federal and provincial tax savings based on a \$200 monthly contribution for 20 years and a 5.5% rate of return.

TFSA INVESTMENT FLEXIBILITY

At PCCU, we provide our TFSA investors with a wide variety of investment options. What you choose to invest in really depends on your personal preference and risk tolerance. Tax Free investing is right here waiting for you at PCCU! Please consider this your personal invitation to call or (better yet), come and meet with us and we can talk about growing your money – tax free of course.