

# REGISTERED RETIREMENT FUNDS

Donating registered assets such as a Registered Retirement Savings Plan (RRSP) or a Registered Retirement Income Fund (RRIF) allows you to create a legacy for Habitat for Humanity Waterloo Region – once your needs and those of your loved ones have been met. Donating all or part of an RRSP or RRIF is an effective way to reduce the taxes payable by your estate.

If you die without a surviving spouse or qualifying dependents, the remaining value of your RRSP or RRIF is added to your income in the year of death, often generating large tax liabilities for your estate. If you leave your RRSP or RRIF to Habitat for Humanity Waterloo Region, however, your estate will receive a donation receipt for the entire value of the gift. This will help to offset any tax liability.

## How does it work?

There are two ways to donate the proceeds of an RRSP or RRIF:

1. You can name Habitat for Humanity Waterloo Region as the direct beneficiary. Upon your death, the proceeds will be paid directly to Habitat for Humanity Waterloo Region without going through probate.
2. You can name your estate as the beneficiary of your RRSP or RRIF and leave instructions in your will to donate all or part to Habitat for Humanity Waterloo Region. You may specify a percentage of the RRSP or RRIF to be gifted or a specific dollar amount. The donation qualifies for the charitable will bequest donation tax credit for up to 100% of income in the year of death and in the year preceding. Please know that when choosing this option, your executor will withhold taxes and probate will apply.

## Benefits for you

- **Tax Advantages** – A tax-effective means of supporting Habitat for Humanity Waterloo Region.
- **Control** – You retain the use of the investment during your lifetime.
- **Simple** – Easy to arrange. Simply ask your financial institution to change the beneficiary designation to Habitat for Humanity Waterloo Region.
- **Flexible** – The designation is revocable and can be changed if your financial circumstances alter.
- **Cost Effective** – There are no extra out-of-pocket costs.
- **Eliminates Probate, Legal & Executor Fees** – Your gift will not be subject to probate costs or delays in settling your estate. The full proceeds are payable to Habitat for Humanity Waterloo Region upon your death.
- **Peace of Mind** – You can arrange your gift and know it will occur just as planned.
- **Control** – Your gift is not a matter of public record so you may remain anonymous. Unlike a will, your gift cannot be contested.
- **Memorialize** – Your bequest can create a lasting memorial for you, your family or anyone you may wish to honor.
- **Opportunity** – An opportunity to make a significant gift.
- **Recognition** – Your gift can be honoured during your lifetime, should you wish.

For additional information, contact:

**Maggie Moniz**

Director of Community Outreach

Habitat for Humanity Waterloo Region

[mmoniz@habitatwr.ca](mailto:mmoniz@habitatwr.ca) • 519-841-2306