

What is Canada Pension Plan CPP

The Canada Pension Plan (CPP)

- provides contributors and their families with partial replacement of earnings in the case of retirement, disability or death. Almost all individuals who work in Canada outside Quebec contribute to the CPP.
- If you have contributed to both the CPP and QPP, you must apply for the QPP if you live in Quebec or for the CPP if you live elsewhere in Canada. Please note that you do not have to apply to both plans.

Eligibility

- The Canada Pension Plan (CPP) retirement pension provides a monthly benefit to eligible applicants.
- You can apply for and receive a full CPP retirement pension at age 65 or receive it as early as age 60 with a reduction, or as late as age 70 with an increase.

Eligibility details

- Your CPP retirement pension does not start automatically. You must apply for it. Before you apply, you must:
 - be at least a month past your 59th birthday;
 - have worked in Canada and made at least one valid contribution to the CPP; and
 - want your CPP retirement pension payments to begin within 12 months.

Have question? Contact US



(905) 771-1131



info@accplus.ca



<http://www.accplus.ca/book-appointment>

How much could you receive

The amount of your Canada Pension Plan (CPP) retirement pension is based on how much you have contributed and how long you have been making contributions to the CPP at the time you become eligible.

- Taking your pension before age 65
 - If you take the CPP retirement pension early, it is reduced by 0.6% for each month you receive it before age 65 (7.2% per year). This means that, an individual who starts receiving their CPP retirement pension at the age of 60 will receive 36% less than if they had taken it at 65.
- Taking your pension after age 65
 - If you take your pension late, your monthly payment amount will increase by 0.7% for each month after age 65 that you delay receiving it up to age 70 (8.4% per year). This means that, an individual who starts receiving their retirement pension at the age of 70 will receive 42% more than if they had taken it at 65.

Income tax

- CPP payments are considered to be taxable income.
- Early each year, you will receive a T4 or NR4 tax slip showing the amount of CPP payments you received during the previous year. You must include this slip when you file your annual income tax return.

Have question? Contact US



(905) 771-1131



info@accplus.ca



<http://www.accplus.ca/book-appointment>