Registered vs. Non-Registered Investment Accounts: What's the Deal?

Registered accounts, such as RRSPs, LRSPs, TFSAs, RESPs, and the new FHSA, are regulated by the Canada Revenue Agency (CRA) and come with special benefits that non-registered accounts don't offer.

Non-registered accounts, on the other hand, are not monitored by the CRA. Examples include investment accounts and interest earning savings.



Here's a rundown on the differences.



Registered Accounts

Tax benefits!

(Who doesn't love a tax break?)

Government incentives

(free money, anyone?)

Rules on contributions and withdrawals

(There may be rules on contributions and withdrawals.)

Non-Registered Accounts

No contribution limits

(invest as much as you want!)

No withdrawal restrictions

(your money, your rules)

But... you pay tax on any interest or growth



If it aligns with your goals and you love tax savings, go registered. If you have maxed out on tax savings, non-registered might be best. In practice, most CAF members benefit from a variety of account types.



Questions?

Talk to your local SISIP Advisor