

## LEAP YEAR DEADLINES!

Pension Adjustment (PA) calculations and reporting on T4(s)  
*February 29, 2024*

Form 7 – Summary of Contributions for 2024  
(Note that TT Actuarial will notify/assist you with this form if it is a requirement for your plan)  
*February 29, 2024*

T3P - Employees' Pension Plan Income Tax Return  
(Trusteed Plans only)  
*March 30, 2024*



### Contact Us

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### WE WANT YOUR INPUT!

**Your feedback is always appreciated. Please let us know what information you want to receive in our next newsletter.**

## Newsletter – Winter 2024

### TO OUR VALUED CLIENTS & ASSOCIATES

Welcome to 2024 and our revitalized newsletter! Through regular communication throughout the year, we will keep you updated on the latest pension industry news and important information that affects you as a pension plan sponsor or advisor.

Our first newsletter of the year always includes a handy CPP and OAS summary for your reference. **Please find the January 1, 2024 summary of CPP and OAS rates on page 2.**

We here at TT Actuarial Inc. extend our best wishes to all for a healthy, safe and prosperous 2024!

### CPP2 ENHANCEMENT TAKES EFFECT

As previously announced, starting January 1, 2024, additional CPP contributions will begin with the implementation of a second earnings ceiling. The first earnings ceiling that we well know is called the year's maximum pensionable earnings, or more affectionately, the YMPE. Up until now, contributions to the CPP were only made on earnings up to the YMPE limit.

In 2024, additional contributions will be introduced on earnings between the first earnings ceiling (YMPE) and a second earnings ceiling, which will be called the year's additional maximum pensionable earnings, or YAMPE. These additional contributions will be known as CPP2 contributions.

The YAMPE is approximately 7% higher than the YMPE in 2024 and will be approximately 14% higher than the YMPE in following years. For example, in 2024, the YMPE is \$68,500 and the YAMPE is \$73,200.

### CONTINUED HIGH INFLATION IN 2023 REFLECTED IN CPP COST OF LIVING INCREASE

2023 closed on a continued high inflation of 3.1% in November in Canada despite lower energy prices and easing food inflation. Although we've seen a decrease since 2022, inflation in 2023 has stubbornly remained high. The elevated inflation was largely attributed to higher mortgage interest costs amid the Bank of Canada's aggressive tightening cycle.

The CPP cost of living increase as at January 1, 2024 of 4.4% reflects the high inflation experienced in 2023.

### THANK YOU!

We thank you and value your continued business. We continue to strive for high quality service, thinking outside the box and customized solutions for business owners. *Should you have any questions or concerns, please feel free to reach out to us!*

## Maximum CPP Benefit Rates Effective January 2024

Type of CPP Benefit	Monthly Benefit Maximums
Retirement Pension (at age 65)	\$1,364.60
Post-Retirement Benefit (at age 65, for post-65 contributions)	\$44.46
Disability Pension	\$1,606.78
Death Benefit ( <b>one-time payment</b> )	\$2,500.00
Survivor's Pension (under 65)	\$739.31
Survivor's Pension (65 and older)	\$818.76
Combined Pensions – Survivor/Retirement	\$1,375.41
– Survivor/Disability	\$1,613.54
Children of Disabled or Deceased Contributor	\$294.12
Flat Rate – Survivor's Pension	\$227.58
– Disability Pension	\$583.32

Notes: The CPP enhancement is not reflected in the maximum benefit amounts.

## Other CPP figures for 2024

CPP	Year's maximum pensionable earnings (YMPE)	\$68,500.00
	Year's Basic Exemption	\$3,500.00
	Employee/Employer Maximum Contribution (5.95%)	\$3,867.50
	Self-Employed Maximum Contribution (11.90%)	\$7,735.00
CPP2	Year's additional maximum pensionable earnings (YAMPE)	\$73,200.00
	Employee/Employer Maximum Contribution (4.00%)	\$188.00
	Self-Employed Maximum Contribution (8.00%)	\$376.00
CPP Cost of Living Increase (January 1, 2024)		4.40%

Notes: CPP contributions are made on earnings from the Basic Exemption up to the YMPE and CPP2 contributions are made on earnings from the YMPE to the YAMPE.

## Maximum OAS Benefit Rates Effective January to March 2024

Type of OAS Benefit	Monthly Benefit Maximums
Basic OAS Pension	
– age 65 to 74	\$713.34
– age 75 or over	\$784.67
Guaranteed Income Supplement (including top-up benefit)	
– Single OR Spouse/Common-law partner of non-pensioner	\$1,065.47
– Spouse/Common-law partner of pensioner OR Allowance recipient	\$641.35
Total Allowance (including top-up benefit)	
– Regular	\$1,354.69
– Survivor	\$1,614.89
OAS Pension Repayment Range for Income Year 2024	
– age 65 to 74	\$90,997 to \$148,065
– age 75 or over	\$153,771

Notes: All OAS benefits are adjusted quarterly based on CPI increases.