Newsletter – Winter 2025

GET A JUMP START ON YOUR 2025 FILINGS!

Pension Adjustment (PA) calculations and reporting on T4(s)
February 28, 2025

Form 7 – Summary of Contributions for 2025
(We will notify/assist you with this form if it is required for your plan)
March 1, 2025

T3P - Employees' Pension Plan Income Tax Return
(Trusteed Plans only)
March 31, 2025

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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.

TO OUR VALUED CLIENTS & ASSOCIATES

Happy New Year! We here at TT Actuarial Inc. extend our best wishes to all for a healthy, safe and prosperous 2025.

As usual, our first newsletter of the year includes a handy CPP and OAS summary for your reference (page 2).

This newsletter is for you, so please reach out and let us know what pension industry news is top-of-mind and how we can help you better understand the pension landscape.

THE PENSION POD: FIRST EPISODE RELEASED ON YOUTUBE!

We are proud to announce The Pension Pod, our new podcast addressing all things pension. If you have any questions/doubts about your Individual Pension Plan, you won't want to miss this episode.

We're addressing hot topics that include:

- the biggest changes in IPPs in recent years
- why you would benefit from an IPP
- what happens to an IPP when the sponsor is in financial difficulty

Subscribe to https://www.youtube.com/@TTActuarial today so you don't miss an episode!

INFLATION OUTLOOK GOOD FOR 2025

The Bank of Canada got inflation down to its 2% target in the final months of 2024. After high 2023 inflation, it dropped below 3% in January 2024 and held below since. However, it wasn't until August 2024 that it dropped down to the baseline scenario of 2%. Since August, inflation has stayed at or below 2%.

The CPP cost of living increase as at January 1, 2025 of 2.6% reflects the 2024 experience.

Looking ahead to 2025, the Bank of Canada expects CPI to remain close to 2% for the foseeable future.

Canadian GDP is expected to grow in 2025 largely driven by consumer spending and residential investment. However, Canada is facing some economic uncertainty in regards to Trump tariff threats.

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 businesss owners. *Should you have any questions or concerns, please feel free to reach out to us!*

Maximum CPP Benefit Rates Effective January 2025

Type of CPP Benefit	Monthly Benefit Maximums
Retirement Pension (at age 65)	$1,433.00
Post-Retirement Benefit (at age 65, for post-65 contributions)	$49.39
Disability Pension	$1,673.24
Death Benefit (**one-time payment**)	$2,500.00
Survivor's Pension (under 65)	$770.88
Survivor's Pension (65 and older)	$859.80
Combined Pensions – Survivor/Retirement – Survivor/Disability	$1,449.53 $1,683.57
Children of Disabled or Deceased Contributor	$301.77
Flat Rate – Survivor's Pension – Disability Pension	$233.50 $598.49

Other CPP figures for 2025

CPP	Year's maximum pensionable earnings (YMPE)	$71,300.00
	Year's Basic Exemption	$3,500.00
	Employee/Employer Maximum Contribution (5.95%)	$4,034.10
	Self-Employed Maximum Contribution (11.90%)	$8,068.20
CPP2	Year's additional maximum pensionable earnings (YAMPE)	$81,200.00
	Employee/Employer Maximum Contribution (4.00%)	$396.00
	Self-Employed Maximum Contribution (8.00%)	$792.00
CPP Cost of Living Increase (January 1, 2025)		2.60%

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 2025

Type of OAS Benefit	Monthly Benefit Maximums
Basic OAS Pension – age 65 to 74 – age 75 or over	 $727.67 $800.44
Guaranteed Income Supplement (including top-up benefit) – Single OR Spouse/Common-law partner of non-pensioner – Spouse/Common-law partner of pensioner OR Allowance recipient	 $1,086.88 $654.23
Total Allowance (including top-up benefit) – Regular – Survivor	 $1,381.90 $1,647.34
OAS Pension Repayment Range for Income Year 2025 – age 65 to 74 – age 75 or over	$93,454 to $151,668 $157,490

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

TT Actuarial
THINKING OUTSIDE THE BOX