

Individual Tax Return for RESP Excess Contributions

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when completed

Use this form to calculate the amount that is subject to the 1% per-month tax on registered education savings plan (RESP) excess contributions **for 1990 and future years.**

As an RESP subscriber, you are responsible for determining whether other plans exist for the same beneficiary. Each subscriber is liable for his or her share of tax on RESP excess contributions and has to file this return and pay the tax within 90 days after the end of the year in which the excess contributions exist.

For each year, complete a separate return for each beneficiary for whom you and other subscribers made excess contributions to RESPs. Contributions made by you include contributions made on your behalf.

Excess contributions to RESPs

An excess contribution exists for an RESP beneficiary when the total contributions made by **all** subscribers to **all** RESPs for that beneficiary are more than the annual or lifetime limit. As an RESP subscriber, you are liable for a 1% per-month tax on your share of the RESP excess contributions at the end of each month for which the excess contributions are not withdrawn. The annual and lifetime contributions limits are:

Periods	Annual limits	Lifetime limits
For years before 1990	No limit	No Limit
For 1990 to 1995	\$1,500	\$31,500
For 1996	\$2,000	\$42,000
For 1997 to 2006	\$4,000	\$42,000
For 2007 and subsequent years	No Limit	\$50,000

Note

Payments made to an RESP under the *Canada Education Savings Act* or any designated provincial programs are not included when determining if the annual or lifetime limits have been exceeded.

Waiver of liability

We may waive or cancel all or part of the taxes. Attach your payment to your filled out T1E-OVP return and send it to your tax centre. To find your tax centre, go to www.cra.gc.ca/mailmyreturn.

Withdrawal of excess contributions – You can reduce the amount subject to the 1% per-month tax by withdrawing amounts from an RESP for the beneficiary. However, such a withdrawal does not reduce the total contributions made to the beneficiary's RESPs and still has to be included in the total of the contributions in determining the beneficiary's lifetime limit. You have to withdraw prior-year excess contributions before you can withdraw current-year excess contributions.

Transferring between RESPs

If the terms of the RESP permit, you can transfer funds directly from one RESP (transferring RESP) to another RESP (receiving RESP). The transfer will not cause an excess contribution for a beneficiary under the receiving RESP if **one** of the following situations applies:

- a beneficiary under the transferring RESP is a beneficiary under the receiving RESP; or
- a beneficiary under the transferring RESP has a brother or sister who was under 21 years of age when the receiving plan was entered into, or the receiving plan is family plan.

However, transfers can result in an excess contribution in a beneficiary's RESP. When we determine if there are excess contributions for months ending after 1996, we usually treat the contributions that were originally made to the transferring RESP as if they had been made to the receiving RESP on the original contribution date.

Changing the beneficiary

Generally, when you replace one RESP beneficiary with a new beneficiary, we treat the contributions for the former beneficiary as if they had been made for the new beneficiary on the date they were originally made. If the new beneficiary already has an RESP, this may create an excess contribution.

However, this rule **does not apply** in the following situations:

- the new beneficiary is a brother or sister of the former beneficiary and is under 21 years of age; or
- both beneficiaries are connected by a blood relationship or adoption to an original subscriber of the RESP, and both are under 21 years of age.

In both these situations, we do not include the contributions made for the former beneficiary when we determine whether the new beneficiary's lifetime contribution limit has been exceeded.

For more information on RESPs, see RC4092, *Registered Education Savings Plans* guide, which is available at www.cra.gc.ca/forms. You can also get our forms and publications by calling **1-800-959-8281**.

Area 1 – Identification (subscriber completing this return and the beneficiary of the RESPs for the year) ▶			Date-YYYY
Subscriber's last name (print)	First name and initials (print)	Social insurance number (SIN)	
Address			
Beneficiary's last name (print)	First name and initials (print)	Social insurance number (SIN)	
Address			

Area 2 – List of all RESPs and their subscribers for this beneficiary (attach a separate sheet if necessary)

1	RESP name	Contract number	Subscriber's name
	Subscriber's address		Social insurance number (SIN)
2	RESP name	Contract number	Subscriber's name
	Subscriber's address		Social insurance number (SIN)
3	RESP name	Contract number	Subscriber's name
	Subscriber's address		Social insurance number (SIN)

Before completing Areas 3 and 4, complete Parts 1 and 2 (and Part 3 if it applies) on the back of this return.

Area 3 – Calculating the 1% per-month tax on RESP excess contributions

Your share of the excess contributions subject to tax for the previous year: Enter, if applicable, the total of the amounts indicated on line 3 in Part 3 on the back of this return...	\$	_____	1
Your share of the excess contributions subject to tax for the current year: Enter the total of the amounts indicated on line 14 in Part 3 on the back of this return..	+	_____	2
Total of your share of the excess contributions: Line 1 plus line 2.	=	_____	3
Rate of tax on RESP excess contributions..	×	_____	4
Tax payable on RESPs excess contributions for the year: Line 3 multiplied by line 4.	= \$	_____	5

Your payment is due within 90 days of the end of the year for which you are filing this return. Arrears interest, at the prescribed rate, will be charged on any unpaid amount not received by the due date. Do not mail cash. We do not charge an amount of \$2 or less.	Balance owing	\$ _____
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Area 4 – Certification

I certify that the information given on this return is correct and complete.		
_____ Subscriber's signature	_____ Date	_____ Telephone number
It is a serious offence to make a false return.		

Part 1 – Record of all contributions made to RESPs for this beneficiary

Give the information requested for all contributions to RESPs for the beneficiary covered by this return. Also include contributions transferred from another RESP or beneficiary for the beneficiary covered by this return. **Do not** record excluded contributions described under the heading "Transferring between RESPs" and "Changing the beneficiary" on the front of this form. Attach a separate sheet if necessary.

Section A – Enter all contributions, including contributions in the year for which you are completing this form, made according to RESPs entered into before February 21, 1990, that require periodic contributions of specified amounts, where at least one payment was made before February 21, 1990.

Date of contributions YYYY/MM/DD	RESP contract number	Subscriber's name	Contributions
Total contributions			\$

Section B – Enter contributions to all RESPs **not** described in Section A above, made **before** the year for which you are completing this form.

Date of contributions YYYY/MM/DD	RESP contract number	Subscriber's name	Contributions
Total contributions			\$

Part 3 – Calculating the amount that is subject to tax (complete this chart month by month)

Previous-year excess contributions		January	February	March	April	May	June	July	August	September	October	November	December
1. Excess contributions at the end of December of the preceding year. If you are filing this return for 1996, for January, enter the excess contribution indicated on line 12 of the T1E-OVP for 1995. If you are filing this return for 1997 or a future year, for January, enter the total of the amounts for December from lines 3 and 14 in Part 3 of the previous year's return. For all other months, indicate the amount from line 3 for the preceding month.	1.												
2. Amounts withdrawn during the month up to the amount on line 1.	2.												
3. Amount subject to tax for the month: Line 1 minus line 2. This result cannot be negative.	3.												
Current-year excess contributions													
4. Contributions you made during the month.	4.												
5. Contributions all other subscribers made during the month.	5.												
6. Total of all contributions made during the month: line 4 plus line 5.	6.												
7. Cumulative total of all line 6 amounts this year up to the end of the month indicated above.	7.												
8. Maximum allowable contributions: For each month, enter the amount from line 7 in Part 2 above.	8.												
9. Excess contributions: Line 7 minus line 8. If positive, continue the calculation. If negative or "0" there is no excess contribution and you do not have to complete the following lines for this month. Go to line 4 for the next month.	9.												
10. Total of all line 4 amounts this year up to the end of this month.	10.												
11. Line 10 divided by line 7.	11.												
12. Your share of the excess contributions: Line 11 multiplied by line 9.	12.												
13. Amounts withdrawn this year up to the end of this month. Do not include the amounts on line 2.	13.												
14. Your share of the excess contributions at the end of the month: Line 12 minus line 13.	14.												

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source at www.cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, Personal Information Bank(s) CRA PPU 005.

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Section C – Enter contributions to all RESPs **not** described in Section A, made **during** the year for which you are completing this form.

Date of contributions YYYY/MM/DD	RESP contract number	Subscriber's name	Contributions
Total contributions			\$

Part 2 – Contribution limit for the beneficiary for whom you are filing this return

Maximum lifetime limit: If you are filing this return for 1990 to 1995, enter \$31,500.

If you are filing this return for 1996 to 2006, enter \$42,000.

If you are filing this return for 2007 and future year, enter \$50,000 \$ _____ | **1**

Enter the total contributions from Part 1, Section A. If this amount is more than maximum lifetime limit from Part 1, enter the amount from line 1. \$ _____ | **2**

Enter the total contributions from Part 1, Section B. + _____ | **3**

Line 2 **plus** line 3. (not exceeding the amount entered on line 1). = \$ _____ | **4**

Balance of lifetime limit available at beginning of the year: Line 1 **minus** line 4. = \$ _____ | **5**

Annual limit: If you are filing this return for 1990 to 1995, enter \$1,500.

If you are filing this return for 1996, enter \$2,000.

If you are filing this return for 1997 to 2006, enter \$4,000. \$ _____ | **6**

Maximum allowable contributions for the year:

If you are filing this return for 2007 and future years, enter the amount from line 5.

If you are filing this return for 1990 to 2006, enter the amount from line 5 or 6, **whichever is less** \$ _____ | **7**

Enter the total contributions from Part 1, Section C. – _____ | **8**

Line 7 **minus** line 8. If the result is negative, you have to complete Part 3 to calculate the amount that is subject to tax. If the result is positive, you do not have RESP excess contributions for this year and, if there were no RESP excess contributions for the previous year, you do not have to complete Part 3. = \$ _____ | **9**