



RESPONSE TO PETITION

Prepare in English and French marking 'Original Text' or 'Translation'

PETITION No.: **421-00146**

BY: **MR. KENT (THORNHILL)**

DATE: **APRIL 13, 2016**

PRINT NAME OF SIGNATORY: **MR. CHAMPAGNE**

Response by the Minister of Finance

SIGNATURE

Minister or Parliamentary Secretary

SUBJECT

Tax system

ORIGINAL TEXT

REPLY

Returning the Tax-Free Savings Account (TFSA) annual contribution limit to \$5,500 is consistent with the Government's objective of making the tax system fairer and helping those who need it most.

In combination with other registered savings plans, a \$5,500 TFSA annual contribution limit will permit most individuals to meet their ongoing savings needs in a tax-efficient manner. At the end of 2013, only 6.7 per cent of individuals eligible to have a TFSA had contributed the maximum TFSA amount.

For most individuals, the sum of TFSA annual contribution limits is \$46,500 as of January 1, 2016.

Reinstating indexation of the TFSA annual contribution limit will maintain the limit's real value over time.

The TFSA annual contribution limit for 2015 remains \$10,000.

One of the first actions taken by the Government was to introduce a middle-class tax cut that is already benefiting nearly 9 million Canadians.