Human Resources Legislative Update

2013 Pension and Retirement Savings Limits Announced

Date: November 2, 2012

On November 1, 2012, the Canada Revenue Agency ("CRA") released the "2013 Rates for Money Purchase limits, RRSP limits, YMPE, DPSP limits and Defined Benefits limits," which are as follows:

- The 2013 annual pension for the year in which a pension commences to be paid under a Defined Benefit pension plan will be limited to $2,696.67 per year of service.
- The 2013 Money Purchase (Defined Contribution) limit will be $24,270.
- The Registered Retirement Savings Plan ("RRSP") limit will increase to $23,820 in 2013, and to $24,270 in 2014.
- The Deferred Profit Sharing Plans contribution limit in 2013 is $12,135.

As previously reported, the CRA also announced that for 2013, the Year's Maximum Pensionable Earnings for the Canada Pension Plan shall be $51,100. This figure is used as the maximum earnings on which contributions to the Canada Pension Plan are payable and is also used in many pension plans to calculate employee contribution rates.

All current and historical rates are posted on the CRA website.