TFSA VS RRSP

COMPARING WITHDRAWALS

TFSA Tax Free Savings Account	VS	RRSP Registered Retirement Savings Plan
CONVERSION		
No		Must convert to RRIF by Dec. 31 of the year you turn 71
TAX TREATMENT		
Tax Free		Taxed as Income (except Lifelong Learning or First time Homebuyers)
GOVERNMENT BENEFITS		
Doesn't affect eligibility for Income-tested government benefits		Affect Income-tested benefits and tax credits since withdrawals are added to taxable income
CONTRIBUTION ROOM		
Withdrawal amounts added to the following year's contribution		No, since contribution is based on previous year's earned income