

FREE GUIDE · OCTOBER 2026 EDITION

Complete RDSP Guide

The Registered Disability Savings Plan: up to $90,000 in government help, withdrawals, taxes and the Empire Life segregated fund RDSP, explained in plain language.

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PREFACE

The RDSP in brief: a plan born in 2008 for long-term security

The RDSP is one of the most generous registered plans in the country, and one of the least known. It was designed for a question many parents ask: what will happen to my child when I am no longer here? Here is how it took shape.

2007 — The March 19, 2007 federal budget announces a savings plan to help people with severe disabilities and their families save for the future. The Canada Disability Savings Act receives Royal Assent on December 14, 2007.

2008 — The Act comes into force on December 1, 2008: the first RDSPs are opened, with the Canada Disability Savings Grant and Bond.

2010 — Budget 2010 allows the tax-deferred rollover of a deceased parent's or grandparent's RRSP or RRIF to the RDSP of a financially dependent child or grandchild, and a ten-year carry-forward of unused entitlements, starting in 2011.

2012 — Budget 2012 replaces full repayment of grants with the proportional rule ($3 for every $1 withdrawn), allows RESP income to be transferred to an RDSP from 2014 and creates the "qualifying family member" measure.

2021 — An RDSP may now stay open with no time limit if the beneficiary is no longer eligible for the disability tax credit (Budget 2019 measure).

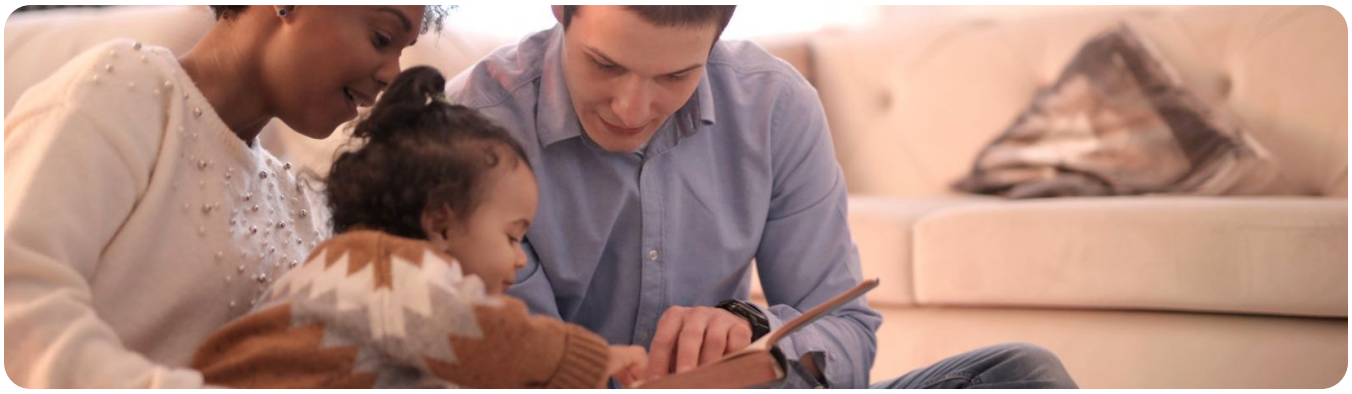
2023 — Budget 2023 extends the qualifying family member measure to December 31, 2026 and expands it to the beneficiary's brothers and sisters.

2026 — The grant and bond income thresholds are indexed: $38,237, $58,523 and $117,045 for transactions dated in 2026.

The original idea

The RDSP is not an account for tomorrow morning's expenses. It is long-haul savings, which the government can triple, to provide income to the person with a disability throughout their life.

Sources: Department of Finance Canada, Budgets 2007, 2010, 2012, 2019 and 2023; Canada Revenue Agency; Employment and Social Development Canada, issuer notices No. 032 (2010) and No. 577 (2026); Chaire en fiscalité et en finances publiques, RDSP fact sheet (2025).



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1. THE RDSP IN BRIEF

The numbers to know

The Registered Disability Savings Plan (RDSP) helps a person eligible for the disability tax credit, and their family, save for long-term financial security. Its strength: the Government of Canada can add up to $3 for every dollar contributed.

$70,000

Maximum lifetime Canada Disability Savings Grant; up to $3,500 a year.

$20,000

Maximum lifetime Canada Disability Savings Bond, with no contribution, for low or modest incomes.

$200,000

Lifetime contribution limit. No annual limit.

300%

Grant rate on the first $500 contributed each year if family income is $117,045 or less.

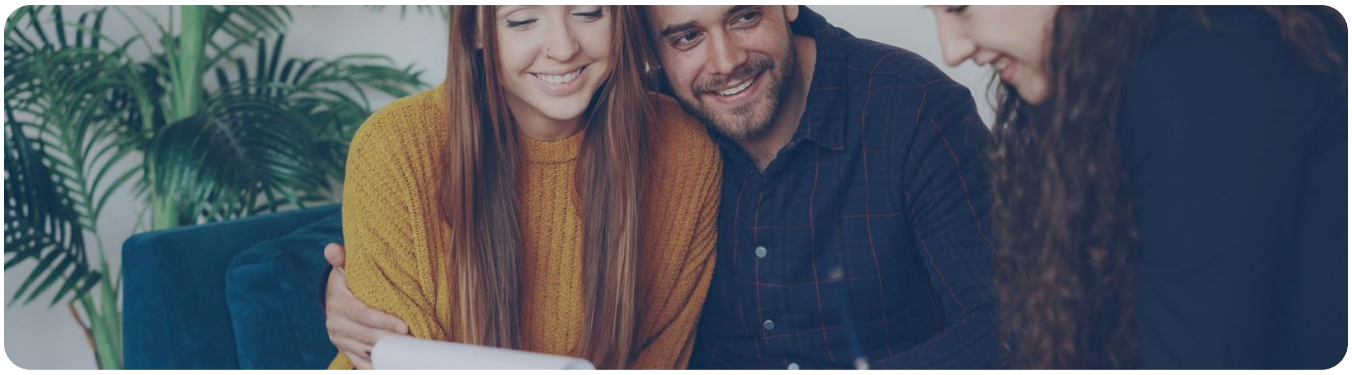
Age 49

The grant and bond are paid until the end of the year the beneficiary turns 49.

10 years

How long grants and bonds must stay in the plan to avoid repayment.

2026 amounts and thresholds published by Employment and Social Development Canada (ESDC, notice No. 577) and repeated in Empire Life's documentation. They are indexed every year and will be confirmed at our meeting.



2. WHO CAN BENEFIT

It all starts with the disability tax credit

To be the beneficiary of an RDSP, a person must meet four conditions when the plan is opened:

Eligible for the DTC	Be eligible for the federal disability tax credit. The application is made to the Canada Revenue Agency on Form T2201, partly completed by a medical practitioner.
Canadian resident	Be resident in Canada when the plan is opened and when each contribution is made.
Age 59 or under	Be 59 or younger on December 31 of the year the plan is opened.
A valid SIN	Have a valid social insurance number.

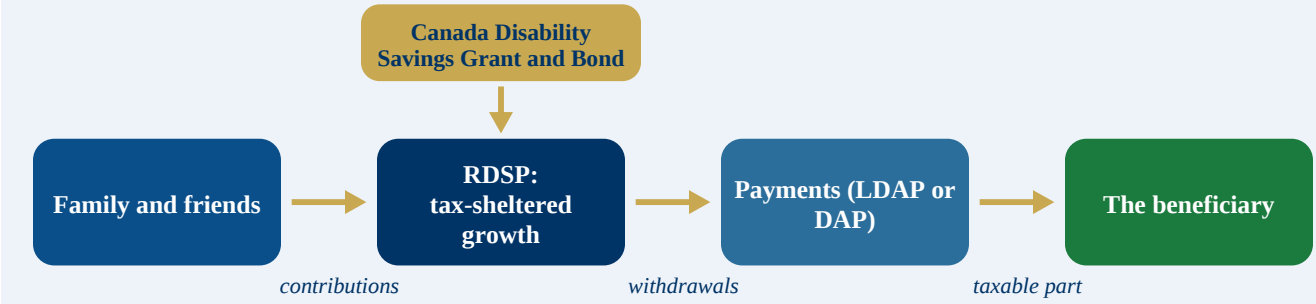
The first step

If the DTC is not yet approved, that is where we start: without it, no RDSP. The DTC often has an expiry date; watch it and reapply in time.

A person can have only one RDSP. That sets it apart from an RESP or a TFSA: it is unique, personal and designed to last a lifetime.

3. HOW AN RDSP WORKS

One beneficiary, holders, clear rules



The beneficiary is the person with a disability for whom the plan is opened; only they receive the money. The holder opens and manages the RDSP: the beneficiary if they are an adult with contractual capacity, or a parent, guardian or legal representative. Anyone may contribute with the holder's written permission.

The basic rules

Contributions	Not tax-deductible. They are not taxed on withdrawal.
Growth	Investment income grows tax-sheltered as long as it stays in the plan.
Limit	$200,000 lifetime per beneficiary, rollovers included. No annual limit.
Age	Contributions allowed until the end of the year the beneficiary turns 59; grant and bond until the end of the year they turn 49.
Duration	No end date; lifetime disability assistance payments must start by the end of the year the beneficiary turns 60.
One plan	Only one RDSP per beneficiary, with an authorized issuer.

Qualifying family member

If an adult lacks contractual capacity and has no legal representative, their parent, spouse or, since 2023, adult brother or sister can become the holder. A family member can become holder this way until December 31, 2026 and remain holder afterwards.

4. THE CANADA DISABILITY SAVINGS GRANT

The CDSG: up to $3 for every dollar contributed

The Government of Canada pays a matching grant on contributions, based on net family income. Until the year the beneficiary turns 18, the parents' income counts; from the year they turn 19, the income of the beneficiary and their spouse.

Grant for 2026, by net family income

Net family income	Matching rate	Contribution for the maximum	Maximum grant
$117,045 or less	300% on the first $500, then 200% on the next $1,000	$1,500	$3,500
More than $117,045	100% on the first $1,000	$1,000	$1,000

Source: ESDC, notice No. 577, "RDSP income matching rates for 2026" (December 31, 2025); Empire Life, RDSP page.

The rules that matter

- Lifetime maximum: $70,000 per beneficiary.
- Paid until the end of the calendar year the beneficiary turns 49.
- You must contribute to receive it; RRSP, RRIF or RESP rollovers do not attract it.
- With carry-forward of unused entitlements, up to $10,500 of grant can be paid in a single year.

The simple strategy

Contributing $1,500 a year, or $125 a month, brings $3,500 in grant if family income is $117,045 or less. Over 20 years, that is the full $70,000.

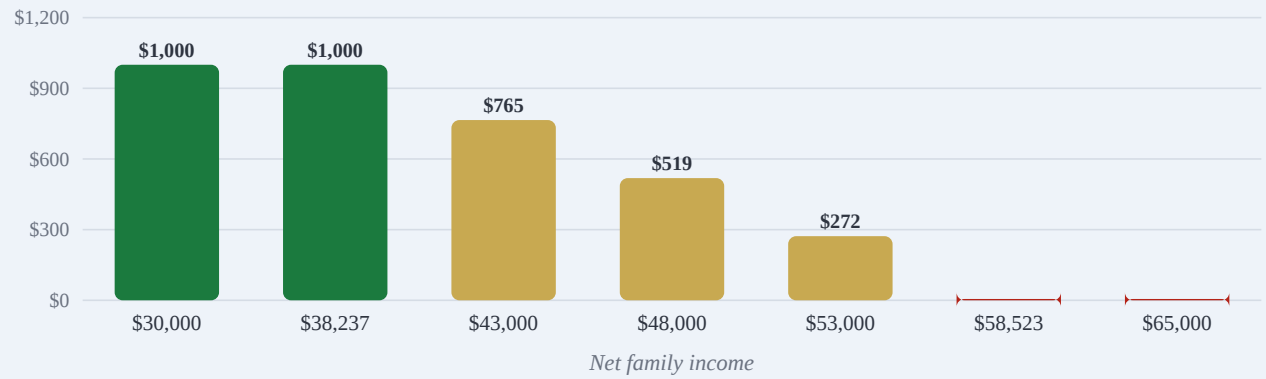
5. THE CANADA DISABILITY SAVINGS BOND

Up to $1,000 a year without contributing a single dollar

The Canada Disability Savings Bond (CDSB) is for low- and modest-income families. No contribution is needed: just open the RDSP and apply.

- $1,000 a year if net family income is $38,237 or less (or if a public institution is the holder).
- Between $38,237 and $58,523, the bond decreases gradually; it is nil at $58,523 or more.
- Lifetime maximum: $20,000. Paid until the end of the year the beneficiary turns 49.
- With carry-forward, up to $11,000 of bond can be paid in a single year.

Annual bond by net family income, 2026



Bond for 2026, by net family income

Net family income	Annual bond
$38,237 or less	$1,000
$38,237 to $58,523	Gradually reduced
$58,523 or more	No bond

Source: ESDC, notice No. 577 (December 31, 2025).

A tip for young adults

From age 19, the beneficiary's own income counts. Filing a tax return every year, even with no income, often secures the maximum $1,000 bond.

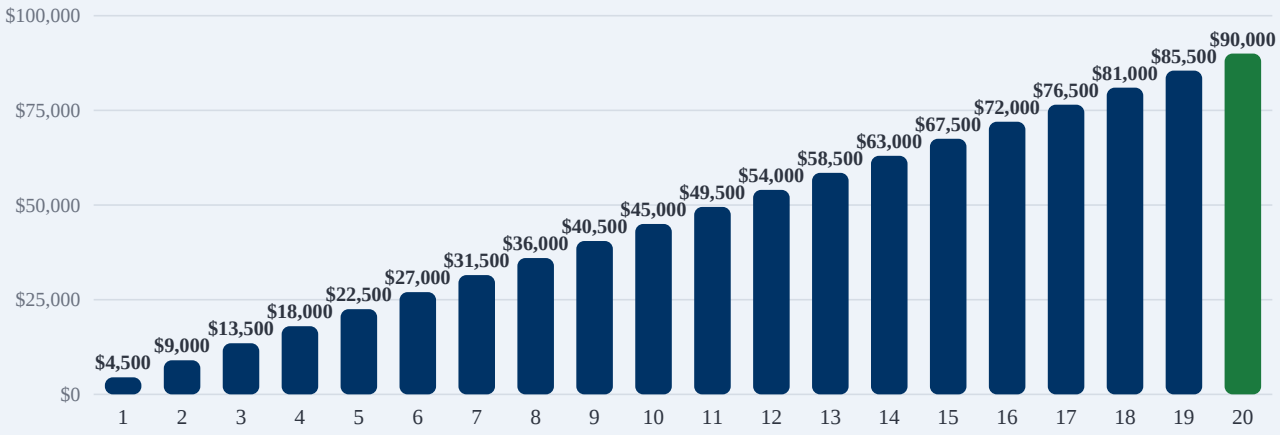


6. CATCHING UP ON 10 YEARS

Unused entitlements are not lost

Since 2011, unused grant and bond entitlements from the previous ten years carry forward, from the year the person became eligible for the DTC (and no earlier than 2008). Once the bond is applied for, the bond for past eligible years is determined and paid automatically.

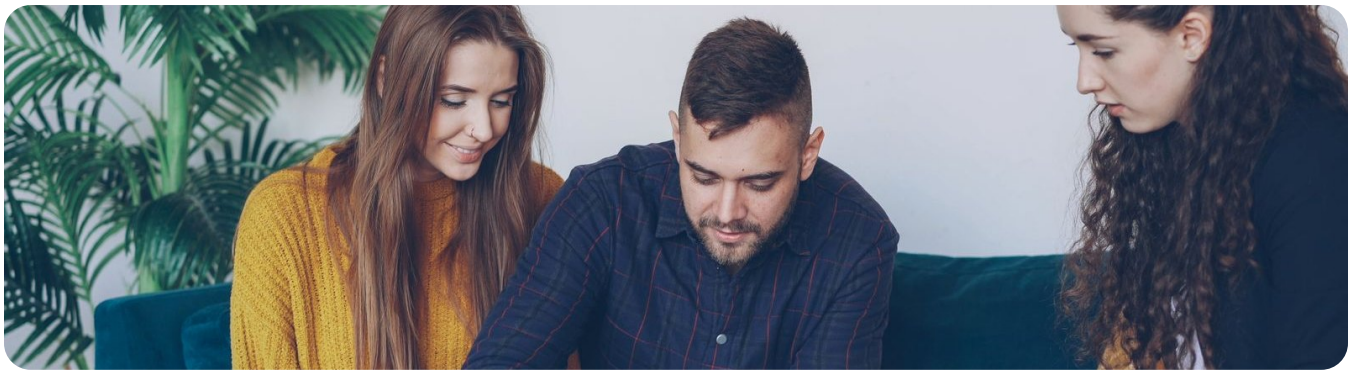
Example: maximum government help over 20 years of $1,500 contributions



Cumulative grants ($3,500 a year) and bonds ($1,000 a year), family income of $38,237 or less. Illustration only, no investment return.

Catch-up example

A family eligible for 10 years opens an RDSP and contributes $4,500: it can receive up to $10,500 of grant that year, plus the bond for past years, up to $11,000, depending on its income in each year.



7. THE EMPIRE LIFE SEGREGATED FUND RDSP

Segregated funds in an RDSP

An RDSP is opened with an authorized issuer. Empire Life presents its RDSP as the first offered by a Canadian life insurer: it can hold Empire Life guaranteed investment funds (GIFs), segregated fund contracts that add insurance guarantees. I can offer it to you as a financial security advisor.

Its features

Insurance guarantees	Maturity and death benefit guarantees, reduced proportionally by withdrawals.
Resets	Automatic annual death benefit guarantee resets until the beneficiary turns 80, to lock in growth.
Investment choice	From fixed income to 100% equity, according to your investor profile.
Lump-sum payment available	Empire Life offers the disability assistance payment (DAP), which not every issuer does.
Online application	Application and government forms pre-filled and signed electronically with your advisor.
Grant and bond	The CDSG and CDSB are paid into the plan if the beneficiary is eligible.
Assuris protection	Like any life insurance contract issued in Canada by a member, GIFs are protected by Assuris if the insurer fails, within its limits.

Other issuers

ESDC publishes the list of institutions that offer the RDSP: banks, investment firms, credit unions and Empire Life. If an RDSP already exists elsewhere, it can be transferred; we compare fees and guarantees first.

Sources: Empire Life, RDSP page and client brochure INV-4048 (February 2026); ESDC, "How to open a plan" (page updated July 10, 2026).

8. THE GUARANTEES

What the guarantees protect, and what they do not

A segregated fund is an insurance contract. At contract maturity, or if the beneficiary dies before maturity, Empire Life guarantees a minimum amount based on deposits, even if markets have fallen. The guaranteed percentage and maturity dates are those of the contract class chosen, set out in the GIF information folder.



Maturity guarantee
On the contract maturity date, you receive the greater of the market value and the guaranteed amount.



Death benefit guarantee
If the beneficiary dies before maturity, the benefit, paid to their estate, is at least the guaranteed amount; annual resets can raise it until age 80.

Withdrawals reduce the guarantee proportionally
Withdrawing 20% of the contract value reduces the guarantees by 20%. That is why withdrawals are planned carefully, especially in the 10 years after the last grant payments.

Fees
The guarantees have a cost, included in each fund's management expense ratio (MER), higher than that of an ordinary mutual fund. I give you the Fund Facts of each GIF chosen and explain my compensation before you sign anything.

Any amount allocated to a segregated fund is invested at the risk of the contract holder and may increase or decrease in value. Guarantees apply only on the dates and under the conditions set out in the contract.



9. WITHDRAWALS

LDAPs, DAPs and the 10-year rule

Type of payment	How it works
Lifetime disability assistance payment (LDAP)	Periodic payments, at least once a year. They must start by the end of the year the beneficiary turns 60 and continue until death or until the plan is empty. An annual maximum applies, based on a formula using age and plan value.
Disability assistance payment (DAP)	A lump sum requested by the holder and paid to the beneficiary or their estate. Each DAP requires a request; not every issuer offers it.

The 10-year rule: $3 repaid for every $1 withdrawn

- Any withdrawal triggers repayment of $3 of grant or bond for every $1 withdrawn, up to the help received in the previous 10 years.
- Once the last payments are more than 10 years old, withdrawals can generally be made without repayment.
- If life expectancy is 5 years or less, with medical certification, up to $10,000 a year can be withdrawn from the taxable part without repayment (specified disability savings plan).
- On the beneficiary's death, help received in the previous 10 years is repaid; the rest goes to their estate.

The golden rule

The RDSP pays off most when time is allowed to do its work. Let us plan the first withdrawal together to avoid repaying grants needlessly.

10. TAXES AND BENEFITS

What is taxable, in Quebec too

Each payment contains a share of contributions, grant, bond and investment income, according to a formula set by law.

Part of the payment	Tax treatment
Private contributions	Not taxable on withdrawal (they were not deducted).
Grant and bond	Taxable to the beneficiary, federally and in Quebec.
Investment income	Taxable to the beneficiary.
RRSP, RRIF or RESP rollovers	Taxable to the beneficiary on withdrawal.

Because the beneficiary often has little income, the tax on the taxable part is frequently low.

Provincial benefits: be careful in Quebec

Opening an RDSP and contributing has no effect on federal, provincial or territorial benefits. However, according to ESDC, in Quebec, New Brunswick and Prince Edward Island, withdrawals may affect some provincial benefits. Before any withdrawal, let us check your situation with the Ministère de l'Emploi et de la Solidarité sociale.

Sources: ESDC, "Withdraw from your plan" (page updated July 10, 2026); Canada Revenue Agency, guide RC4460.

11. ROLLOVERS AND TRANSFERS

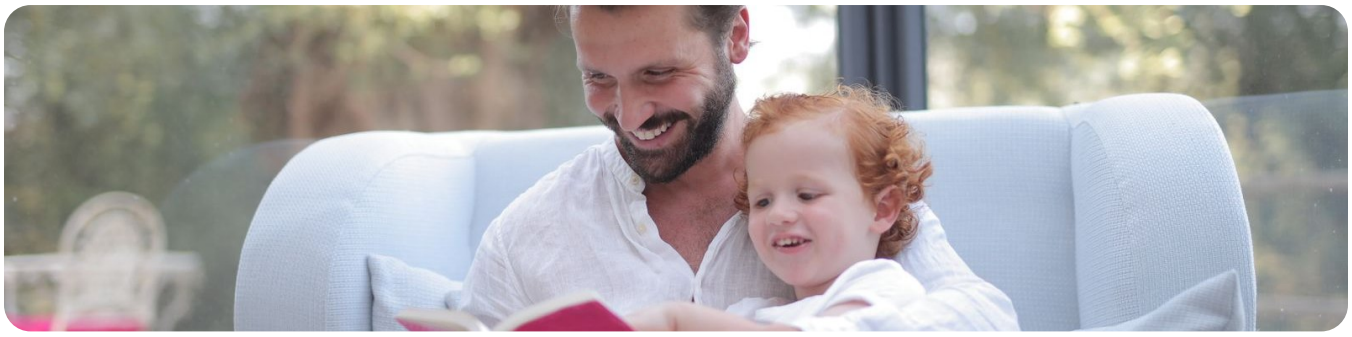
Moving a parent's savings into the RDSP

Some plans can be transferred to the RDSP with no immediate tax. These amounts count toward the $200,000 limit and do not attract the grant.

A deceased parent's RRSP, RRIF, RPP	On the death of a parent or grandparent, the proceeds of their RRSP, RRIF or certain pension plans can be rolled into the RDSP of a child or grandchild with a disability who was financially dependent on them.
RESP income	Accumulated income from an RESP can be transferred to the RDSP of the same beneficiary, under certain conditions, notably when the disability prevents them from pursuing studies.
Transfer between issuers	An RDSP can be transferred from one issuer to another without losing the grant or bond.

Estate planning

For parents, rolling an RRSP or RRIF into the RDSP is a powerful tool: it defers tax and protects the child's future income. It is prepared in the will and with beneficiary designations; let us discuss it, with your notary.



12. THE IDEAL TIMELINE

What to do at each age

From diagnosis — Apply for the DTC (Form T2201) and the SIN. Without an approved DTC, no RDSP.

Opening — Open the RDSP and apply for the grant and bond. After the application, the bond for past eligible years is paid automatically.

Ages 0 to 49 — Contribute $1,500 a year ($125 a month) for the maximum $3,500 grant. Catch up on the last 10 years' entitlements if needed.

From age 17 — File a tax return every year, even with no income: from age 19, the beneficiary's income determines the bond.

Ages 50 to 59 — No more grant or bond; contributions remain allowed until the end of the year the beneficiary turns 59, and the plan keeps growing.

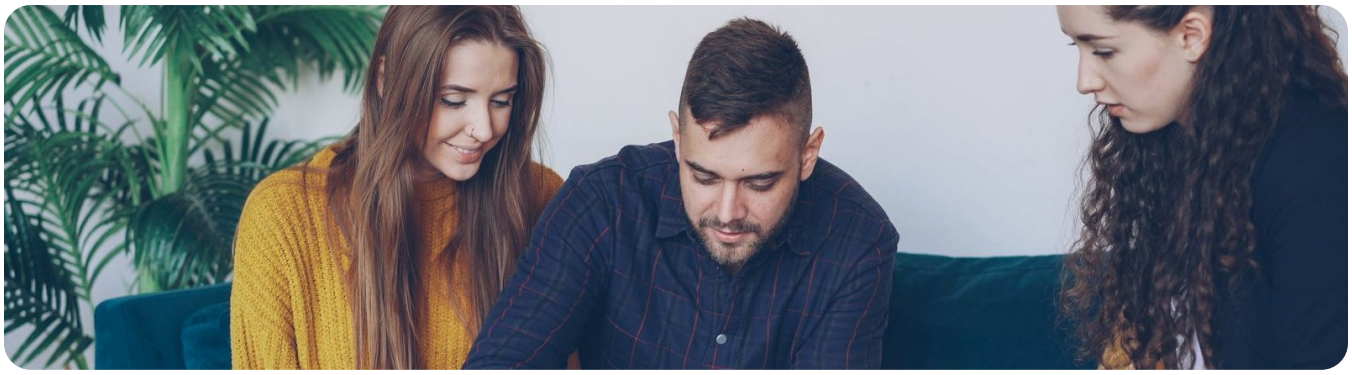
By age 60 — Lifetime disability assistance payments must start by the end of the year the beneficiary turns 60.

Throughout life — Review the investment profile, watch the DTC expiry date and keep the plan holder up to date.

13. COSTLY MISTAKES

And how to avoid them

- ✕ **Not applying for the DTC**
  Without the DTC, no RDSP and no government help.
- ✕ **Waiting to open the plan**
  Beyond 10 years, entitlements no longer carry forward, and help stops at 49.
- ✕ **Not filing tax returns**
  The bond is based on reported income; without a return, it can be lost.
- ✕ **Withdrawing too early**
  Every dollar withdrawn can cost $3 of grant and bond received in the last 10 years.
- ✕ **Letting the DTC expire**
  Renew in time to keep the right to the grant and bond.
- ✕ **Forgetting the effect on benefits**
  In Quebec, check the effect of a withdrawal on social assistance or social solidarity before making it.
- ✕ **Neglecting the will**
  Plan the RRSP or RRIF rollover and name who will manage the plan.



14. NEXT STEPS

Open your RDSP with me

In a 30-minute meeting, in person in Montreal, by Google Meet or by phone, we check eligibility, calculate the government help you are entitled to, including catch-up, and choose the investments.

Documents to prepare

- The Canada Revenue Agency DTC notice of determination (or the T2201 application in progress).
- The SIN of the beneficiary and of the holder.
- Valid photo ID of the holder.
- The family's recent notices of assessment (parents' if the beneficiary is 18 or under).
- Your banking details for pre-authorized deposits.
- If applicable, proof of guardianship, protection mandate or legal representation.

BOOK A MEETING

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Calculate the help for your loved one

Scan the code with your phone's camera: the Maprime.ca calculator estimates in two minutes the grant and bond your loved one could receive, with no sign-up.

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Jean Carrière, independent representative through Groupe Cloutier, general agent. Financial security advisor, group insurance and group annuity plans representative and scholarship plan representative, registered with the Autorité des marchés financiers (certificate 259457). Check my registration: lautorite.qc.ca.

IMPORTANT NOTICES AND SOURCES

Important notices

- This guide provides general information. It is not personalized tax, legal or financial advice, nor a product recommendation. A needs analysis is required before any recommendation.
- Any amount allocated to a segregated fund is invested at the risk of the contract holder and may increase or decrease in value. The guarantees, fees and conditions that apply are those of the GIF information folder, the Empire Life RDSP Declaration of Trust and the Fund Facts provided at application, which alone are authoritative.
- I am an independent representative: I am not bound to Empire Life by an exclusivity agreement and I compare the products of several insurers. I am paid by commission from the insurer; I will detail it on request.
- Grant and bond amounts, income thresholds and tax rules are set by governments and change periodically. Those in this guide are in effect in October 2026 and will be confirmed at our meeting.
- Empire Life and GIF are trademarks of The Empire Life Insurance Company. Photos are from Pexels and used under the Pexels licence; the people pictured only illustrate everyday situations.

Sources consulted on October 17, 2026

- Employment and Social Development Canada — Notice No. 577, RDSP income matching rates for 2026 (December 31, 2025); "How to open a plan" and "Withdraw from your plan" (pages updated July 10, 2026); notice No. 032, Budget 2010 measures: canada.ca
- Canada Revenue Agency — Registered Disability Savings Plan, guide RC4460 and bulletin No. 3R3: canada.ca
- Chaire en fiscalité et en finances publiques (Université de Sherbrooke) — RDSP fact sheet, 2025 parameters (November 19, 2025): cffp.recherche.usherbrooke.ca
- The Empire Life Insurance Company — RDSP page and client brochure INV-4048 (February 2026): empire.ca/RDSP

AT A GLANCE

The RDSP at a glance

The essential features of this solution, on a single page.



General features for information only. Guarantees, options, limits and tax rules vary by insurer, contract and your situation.

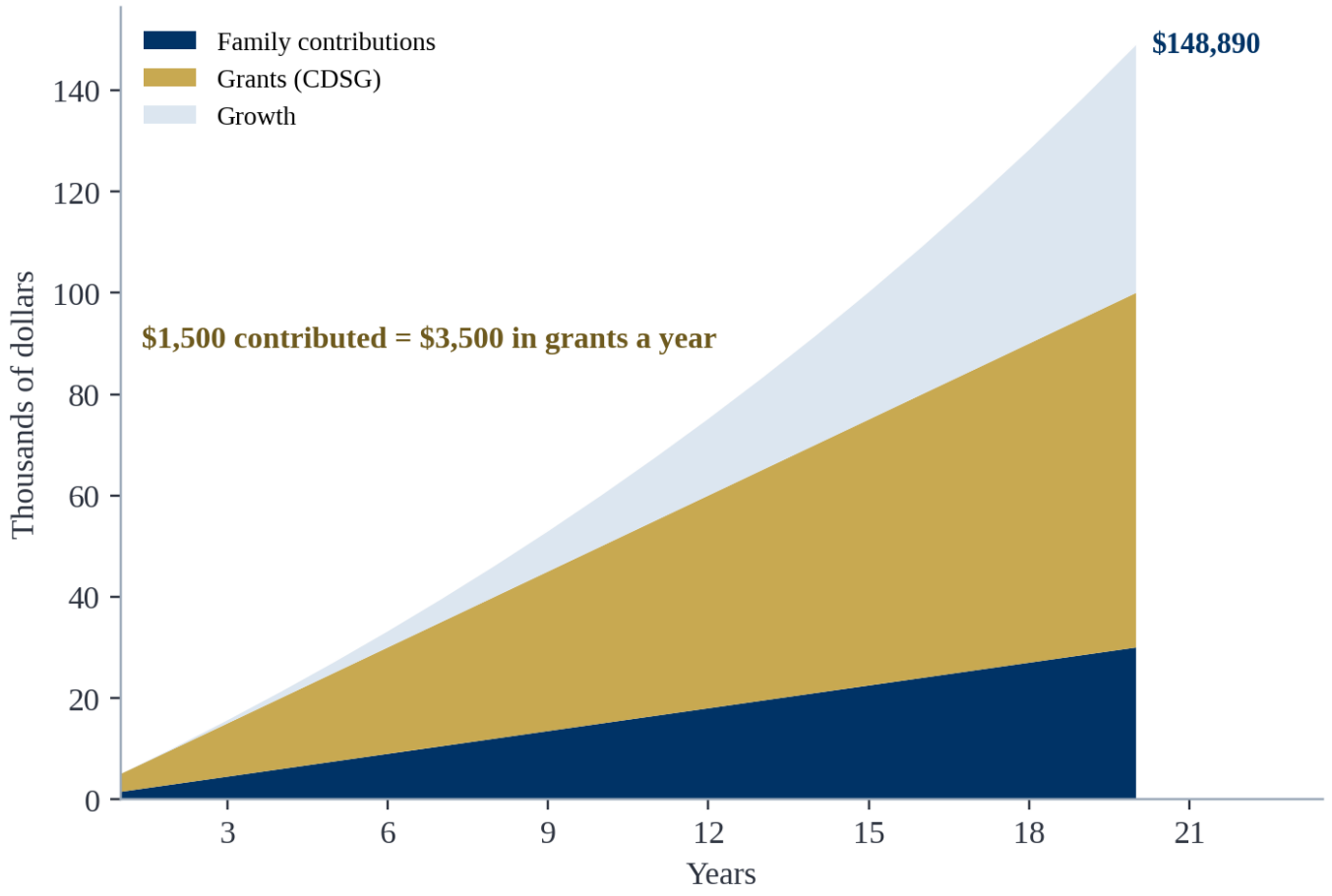
Let's talk about your situation

A free 30-minute meeting: 438 889-6474 · maprime.ca/rendez-vous-en · info@maprime.ca

THE ADVANTAGES IN A CHART

Each dollar saved can attract more than two

If family income is below the federal threshold, the CDSG pays 300% on the first $500 and 200% on the next $1,000, or $3,500 a year, up to $70,000 lifetime.



Assumptions and sources

Assumptions: $1,500 a year for 20 years, 4% return, excluding the Canada Disability Savings Bond (up to $20,000 more for eligible families). Income threshold indexed yearly.

Your numbers, not assumptions

I'll redo this calculation with your real situation: 438 889-6474 · maprime.ca/rendez-vous-en

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