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Skills Development Canada

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Now and Tomorrow
Excellence in Everything We Do

Canada Education Savings Grant

GET MONEY NOW



**FOR YOUR CHILD'S EDUCATION
AFTER HIGH SCHOOL**

WHAT IS THE CANADA EDUCATION SAVINGS GRANT?

The Canada Education Savings Grant is a grant from the Government of Canada to help you start saving now for your child's education after high school.

When you save in your child's Registered Education Savings Plan (RESP), the Government — through the Canada Education Savings Grant — could provide an additional \$200 on the first \$500 you save annually, and up to \$400 on the next \$2,000 saved.

The maximum lifetime grant that the Government of Canada can give to your child is \$7,200.

Your child can use the money for full-time or part-time studies in an apprenticeship program, trade school, CEGEP, college or university.

Over three million children have already received this grant.



WHO GETS THE CANADA EDUCATION SAVINGS GRANT?

All children up to age 17 are eligible to receive the Canada Education Savings Grant as long as they are Canadian residents and an RESP has been opened for them. Special rules may apply if your child is between the ages of 15 and 17.

For more information, call **1 800 O-Canada (1-800-622-6232)**.

HOW DO I GET THE CANADA EDUCATION SAVINGS GRANT?

In two easy steps

- 1) Get a Social Insurance Number for your child — even a baby can have one! There is no fee.

However, certain documents, such as a birth certificate or Permanent Resident Card, are required. Call **1 800 O-Canada (1-800-622-6232)** or visit a Service Canada Centre near you for more information.

- 2) Open a Registered Education Savings Plan (RESP). You can open an RESP through a financial institution such as a bank or credit union or through a certified financial planner or group plan dealer.



The Canada Education Savings Grant will be deposited directly into your child's RESP account.

WHAT IS A REGISTERED EDUCATION SAVINGS PLAN (RESP)?

An RESP is a special savings account registered with the Government of Canada to help you, your family or friends save early for your child's education after high school.

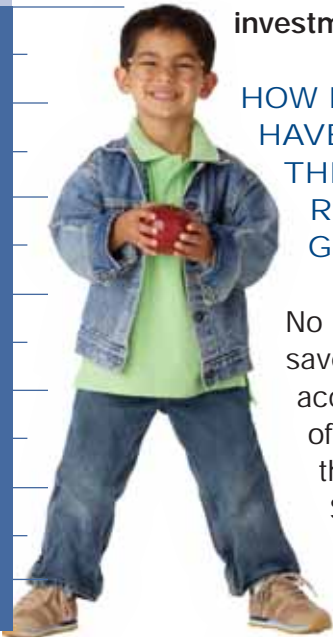
The money in the RESP will be invested so it can grow and earn interest.

You will not be taxed on the interest, and your child can usually withdraw the money tax-free.

Be sure to shop around to find an RESP provider that meets your needs and ask them about secure investment options.

HOW MUCH MONEY DO I HAVE TO PUT INTO THE RESP TO RECEIVE THE GRANT?

No matter how little you save in your child's RESP account, the Government of Canada will still pay the Canada Education Savings Grant.



You, as a parent, as well as your family or friends, can also put money into your child's RESP.

Even savings of \$5 a week can add up quickly, especially when the Canada Education Savings Grant is added to your savings.

The sooner you start to save, the more your savings will grow.

WHAT DOES IT COST TO OPEN AN RESP?

At some financial institutions, you can open an RESP account for free; others have fees. Be sure to shop around to find an RESP provider that **best suits your needs**.

HOW MUCH CANADA EDUCATION SAVINGS GRANT MONEY CAN I GET?

On the first \$500 you save in your child's RESP, the Canada Education Savings Grant will give you:

- up to \$200 if your net family income is \$38,832 or less;
- up to \$150 if your net family income is between \$38,832 and \$77,664;
- up to \$100 if your net family income is more than \$77,664.



Canada Education Savings Grant

The net family income amounts are updated every year. The amounts shown are for 2009.

When you save more than \$500 annually, the Canada Education Savings Grant could add up to \$400 on the next \$2,000 saved.

WHAT IS THE MAXIMUM CANADA EDUCATION SAVINGS GRANT MY CHILD CAN RECEIVE?

- Between \$500 and \$600 per year; and
- \$7,200 total lifetime grant.

WHAT IF I CAN'T AFFORD TO SAVE FOR MY CHILD'S EDUCATION RIGHT NOW?

Even a small amount can make a difference when the Canada Education Savings Grant is added to your savings. Plus, that money will earn interest over time.

Your child may also be eligible for a \$500 Canada Learning Bond if

- your child was born after December 31, 2003, and
- you get the National Child Benefit Supplement as part of the Canada Child Tax Benefit (commonly known as "family allowance").

Your child could also get an extra \$100 per year up to age 15, as long as you continue to receive the National Child Benefit Supplement.

You do not have to contribute any of your own money to get the Canada Learning Bond. All you need to do is open an RESP and the Government of Canada will deposit the money into your child's RESP account.

WHAT HAPPENS IF MY CHILD DOESN'T CONTINUE EDUCATION AFTER HIGH SCHOOL?

The RESP can stay open for up to 36 years. If your child does not continue education right after high school, the money can be used if your child returns to school later.

If the money is not used 36 years after the RESP is opened, **the amount you saved goes back to you** and the Canada Education Savings Grant may be used for a brother or sister's education. If not, the grant will be returned to the Government of Canada. The Canada Learning Bond is returned to the Government of Canada.

Your money can also be withdrawn at any time. Ask your RESP provider for details.



HOW DO I GET HELP OR MORE INFORMATION?

- Call toll-free at **1 800 O-Canada (1-800-622-6232)** for more information and to order brochures on the **Canada Learning Bond** and **RESP**.
 - If you use a **TTY**, call **1-800-926-9105**.
 - Visit a **Service Canada Centre** near you.
 - For a list of RESP providers, to view this publication in other languages or for more information, visit **CanLearn.ca**.
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You can order this publication by contacting:

Publications Services

Human Resources and Skills Development Canada

140 Promenade du Portage

Phase IV, 12th Floor

Gatineau, Quebec

K1A 0J9

Fax: 819-953-7260

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