Let's Talk **Tax-Free FHSA vs TFSA vs RRSP**

Libro CREDIT UNION

Here's a quick comparison of three important government savings programs: the Tax-Free First Home Savings Account (FHSA), the Tax-Free Savings Account (TFSA), and the Registered Retirement Savings Plan (RRSP), which includes the Home Buyers' Plan (HBP). Each has its own advantages to help you save and achieve your homeownership goals. **Discuss with your Libro Coach to determine which of these options, or perhaps a combination of them, works best for you.**

	Tax-Free FHSA	TFSA	RRSP
What can I save for?	Your first home	Short- and long-term goals (ex. vacation, home renovation, car)	Retirement, or buying your first home through **HBP.**
Are my contributions tax-deductible?	✓	X	✓
Will my withdrawal be tax-free?	✓ If used to buy a qualifying first-time home.	✓	✓ Up to $60,000 to buy a qualifying first home, under the HBP, but must be repaid to the RRSP over a period of 15 years.
Who is eligible?	Canadian residents aged 18 or older (up to age 71) with a valid SIN, who are first-time home buyers*	Canadian residents aged 18 or older with a valid SIN.	Canadian residents with a valid SIN who are under age 71, have earned income and filed a tax return in Canada.
Is there a maximum annual contribution?	✓ $8,000 Includes contributions and RRSP transfers.	✓ $7,000 for 2025 plus any unused contribution room and the total value of withdrawals made in previous years.	✓ The lesser of 18% of income earned in the previous year or the annual maximum of $32,490 in 2025 plus any unused contribution room.
Does the maximum annual contribution carry forward?	✓ A maximum of $8,000 unused contribution room can carry forward to following year.	✓	✓
Is there a maximum lifetime contribution?	✓ $40,000	✓ Unused contribution room is accumulated and carried forward from age 18. See CRA for your specific amount.	✓ Contribution room is calculated based on unused contribution room, the previous year's net income, the annual RRSP limit. See CRA for your specific amount.
What happens to funds when the account closes?	At 15 years of opening plan or age 71, remaining funds not used towards a qualifying first-time home can transfer tax-free to an RRSP or RRIF.	Does not need to be closed	Remaining funds can roll over tax-free into a RRIF.
Can I hold different types of investments within this product?	✓	✓	✓

For full comparison and program details see CRA.

libro.ca

**A first-time home buyer, meaning you, or your spouse or common-law partner did not own a qualifying home that you lived in as your principal residence at any part of the calendar year before the account is opened or the preceding four calendar years.*