



* Certain RESP providers are still in the process of updating their trust declarations with the Canada Revenue Agency to reflect the 2023 RESP withdrawal limit increases announced in the 2023 Federal Budget. These RESP providers are required to apply the old withdrawal limit to withdrawals requests made in August/September 2023. However, any shortfall up to the new withdrawal limit can be requested later in the year, upon completion of their trust declaration updates.

GLOSSARY

Canada Education Savings Grant (CESG):

Employment and Social Development Canada (ESDC) provides an incentive for parents, family and friends to save for a child's post-secondary education by paying a grant based on the amount contributed to an RESP for the child. CESG funds will be deposited directly into the child's RESP. ESDC pays 20% of annual RESP contributions made to an eligible RESP for a qualifying beneficiary to a maximum of \$500 (\$1,000 in CESG if there is unused grant room from a previous year), and a lifetime limit of \$7,200.

Accumulated Income Payment (AIP):

Withdrawal of income/gains/earnings generated on RESP funds (contributions/CESG/CLB/provincial education supports) while beneficiary is NOT enrolled at a post-secondary institution and not eligible to receive an educational assistance payment (EAP).

Post-secondary Education (PSE) Withdrawal:

Withdrawal of RESP contributions while beneficiary is enrolled at a post-secondary institution/eligible to receive EAP. This tax-free receipt can be paid to beneficiary or subscriber.

Canada Learning Bond (CLB):

ESDC provides an additional incentive of up to \$2,000 to help low-income families start saving early for their child's post-secondary education. The CLB will be deposited directly into the child's RESP. The CLB is available for eligible children from low-income families born in 2004 or later and provides an initial payment of \$500 for the first year the child is eligible, plus \$100 for each additional year of eligibility, up to age 15, for a maximum of \$2,000. Personal contributions are not required to receive the CLB.

Educational Assistance Payment (EAP):

Consists of CESG, CLB, provincial education supports and any income/gains/earnings generated on RESP funds (contributions/CESG/CLB/provincial education supports).

Withdrawal of Contributions:

Withdrawal of RESP contributions while beneficiary is NOT enrolled at a post-secondary institution and not eligible to receive EAP. This tax-free receipt can be paid to beneficiary or subscriber.