

# RESP Withdrawal Checklist

A Registered Education Savings Plan is an ideal way to save for your child's education. Now that your child has enrolled in a post-secondary educational institution, you are likely looking to start withdrawing funds from the plan. There are a number of steps to take, however; and your BlueShore Financial advisor will require specific documents from you in order to process the withdrawal.

## 1 Before you request a withdrawal

Before you request a withdrawal, there are two things you must confirm: that your child is attending a qualifying post-secondary institution and is registered in a qualifying program of study.

- **Qualifying post-secondary institutions include:**
  - A university, college, CEGEP, trade school or other designated educational institution in Canada
  - An educational institution in Canada certified by the *Minister of Employment and Development Canada* as offering non-credit courses that develop or improve skills in an occupation
  - A university, college, or other educational institution outside Canada that provides courses at the post-secondary level
- **Qualifying programs of study can be full- or part-time, and include apprenticeships and long-distance education.**
  - A full-time program lasts at least three consecutive weeks and requires that a student spend no less than 10 hours per week on the courses or work in the program.
  - A part-time program lasts at least three consecutive weeks and requires a student to spend no less than 12 hours per month on courses in the program. The student must be at least 16 years of age.
  - If studying outside Canada, your child must be enrolled on a full-time basis in a course that lasts no less than 13 consecutive weeks (three weeks for university programs).

## 2 To process a withdrawal

To complete the withdrawal form and process the application, you will need to provide us with the following information and documentation:

- **Student name and student ID number**  
The student ID is provided by the educational institution once enrolled.
- **Confirmation of enrollment**  
The proof of enrollment must include the following:
  - Student name and ID number*
  - Confirmation of enrollment in a qualified educational program*
  - Student enrollment course load (full-time or part-time)*

Proof of enrollment documentation is considered valid for a period of up to six months from the date stated on the document.

**What's not accepted\*:** the written letter of acceptance or offer of admission, screenshots of course lists, tuition fee breakdown or tuition amount that is paid, invoices or receipts, student cards or emails.

\*these documents aren't considered proof on their own, however may be admissible with other acceptable proof of enrollment documents. Please contact a Blueshore Financial Advisor or our Solution Centre for more information.

A *RESP Verification of Enrolment* form can be obtained from a BlueShore Financial advisor.

- **How much you wish to withdraw**

You can use your RESP to pay for any “qualifying expense,” which includes any expense that helps your student further his or her post-secondary education. It generally includes tuition, books and supplies, as well as living and transportation costs.

- **The type of withdrawal you wish to make**

There are two types of withdrawals you can make from an RESP: the Post-Secondary Education Payment (PSE), which are your contributions over the years, and the Education Assistance Payment (EAP), the amount accumulated through grants as well as interest or dividend income. There are timing issues, withdrawal limits and tax considerations associated with each; your advisor can provide invaluable guidance in this area. Note that if this is the first EAP request for your child, the withdrawal is limited to \$5,000 (\$2,500 for specified educational programs), for the first 13 consecutive weeks of study. These limits may be increased by having your RESP administrator submit a written request.

- **Who should sign the RESP Withdrawal form**

For EAP withdrawals, the subscribers (both parents if the RESP is in both your names) and the beneficiary (the child) sign. For PSE withdrawals only the subscriber is required to sign.

## 3 What else you need to know

### How long it takes to receive funds

If your RESP funds are readily accessible, it will take 3-10 business days to receive the requested amount. You may, however, have an RESP portfolio that is a mix of term deposits and mutual funds as well as cash. You will need to manage the maturity dates of term deposits to ensure you have access to the RESP funds when you need them. Your advisor can help.

Note that if proper documentation is not provided, the withdrawal request can be rejected, resulting in further delays.

### Income tax implications

Taxes on EAP withdrawals are paid by the beneficiary, not the contributor. The beneficiary must claim the withdrawals as income and will receive a T4A in the mail. Your child will likely be in a low tax bracket, however, and will pay little or no tax. If your child has income from work or a trust, talk to your financial advisor to help you time the withdrawals to reduce his or her taxable income.

For further clarification, please don't hesitate to contact your advisor. The Government of Canada CanLearn website ([canlearn.ca](http://canlearn.ca)) also has a wealth of information. Our **lifespring**™ Financial Planning series brochure, Give them a degree of confidence, provides an excellent overview of RESP strategies.

**For more information, please visit the RESP section of the Government of Canada website.**

[www.canada.ca/en/employment-social-development/services/student-financial-aid/education-savings/resp](http://www.canada.ca/en/employment-social-development/services/student-financial-aid/education-savings/resp)