



Tax-free savings account (TFSA)

Invest in your future. Speak to a Sun Life advisor to get started with a TFSA.

[Find an advisor](#)

Last updated: January 20, 2025 | Reviewed by [Stuart Dollar](#)

What is a tax-free savings account?

A TFSA is a registered investment account designed to help Canadians save money, while holding qualified investments. More than just a typical savings account, a TFSA can hold a variety of different investment types, such as mutual funds, segregated funds, insurance GICs and more.

Unlike a [registered retirement savings plan \(RRSP\)](#), which is typically used for long-term investments, a TFSA provides flexibility. It can be used for short-term savings goals, such as saving for a car or a down payment for your first home.

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How does a tax-free savings account work?

If you're a Canadian resident 18 years or older with a Social Insurance Number (SIN), you can open a TFSA. Please note that you cannot open a mutual funds account under the age of 18 in Canada. Once you've opened your TFSA and started contributing, your investments have a chance to grow tax-free.

Any income earned within a TFSA, including interest, dividends and capital gains is tax-free. What's more, you won't have to pay tax on any [withdrawals](#).

Who can open a TFSA?

You must be a Canadian resident, aged 18 or older with a Social Insurance Number (SIN). Any person under the age of 18 cannot open a mutual funds account.

According to the Government of Canada, you may be able to open a TFSA if you're a non-resident of Canada with a SIN and age 18 or older. However, it may not be advisable because any contributions you make as a non-resident will be subject to a 1% tax for each month the contribution stays in your account. Additional taxes may also apply for non-residents.

Speak to a tax specialist or a [Sun Life advisor](#) to learn more and determine if a TFSA is right for you.

Benefits of investing in a TFSA

- ✓ Tax-free growth
- ✓ Tax-free withdrawals
- ✓ Save money for any reason

What is a TFSA?

✓ Video transcript

Additional resources

TFSA contributions

The TFSA contribution limit for 2025 is \$7,000. But the total amount you can contribute really depends on your personal TFSA contribution room. [i](#)

[How TFSA contributions work](#) >

TFSA withdrawals

You can withdraw from your TFSA whenever you want, for any purpose. But you'll want to check if the investments within your TFSA have any withdrawal restrictions.

[How TFSA withdrawals work](#) 

Find an advisor

Our advisors are ready to help you open a TFSA and offer customized advice that meets your specific needs. They can also answer any questions you may have.

Enter your postal code to find an advisor near you.

[Find an advisor](#)

TFSA FAQs

- ✓ Can I use a TFSA to buy a house?
- ✓ What's the difference between using a TFSA and using an RRSP to buy a house?
- ✓ Can I withdraw money from my TFSA?
- ✓ Do you pay taxes on a TFSA?
- ✓ Can I open a TFSA for my kids?
- ✓ Can I have a joint TFSA with my spouse?
- ✓ Can I contribute to my spouse's TFSA?
- ✓ What happens to my TFSA after death?
- ✓ Is a TFSA taxable upon death?
- ✓ What is the TFSA contribution limit for Canada?
- ✓ Can you transfer a TFSA funds to another TFSA?

Can you transfer a TFSA to another person?
Is a TFSA subject to probate?
How many TFSAs can I open?



Already have a TFSA with Sun Life?

Sign in to [my Sun Life](#) to access your account.

Available self-serve features depend on your account, contract or policy.

Sign in

This information is meant for educational and illustrative purposes only. Some conditions, exclusions and restrictions apply.



Open a TFSA

Talk to a Sun Life advisor to open a TFSA and start investing. An advisor can answer your questions and help you make the most of your savings.

Enter your postal code to find an advisor near you.

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Find an advisor

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	Plan sponsor site	Donations and sponsorships		

Life's brighter under the sun

We acknowledge that Sun Life operates in many Territories and Treaties across Canada. Our Canadian headquarters in Waterloo are on the traditional territory of the Anishnaabeg, Haudenosaunee Confederacy and the Mississaugas of the Credit First Nations.

Today, Canada is still the home to many Indigenous, First Nations, Inuit, and Metis peoples from all across Turtle Island. We are grateful to have the opportunity to work in this territory. We offer this acknowledgment as a stepping stone towards honouring the original occupants, as a testimony to the oppression faced by Indigenous peoples, and our commitment to Indigenous communities and employees of Sun Life.

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