

## What is a Registered Retirement Income Fund?

A Registered Retirement Income Fund (RRIF) is a registered investment account that allows you to withdraw income during retirement. Typically, this fund is created when an RRSP is converted to a RRIF by December 31 of the year you turn 71. If you have multiple RRSPs, they could be combined into a single RRIF. There are annual mandatory minimum withdrawal percentages based on your age and all withdrawals over the annual minimum payment amount are subject to withholding tax.



### How do RRIF withdrawals work?

Your RRIF offers you flexibility when it comes to your post-retirement finances. The year after you have converted part or all of your RRSP(s) into a RRIF you must start withdrawing funds. It's important to remember there are rules set out by the Canada Revenue Agency (CRA) when it comes to how much you must withdraw annually from your RRIF. The first rule is that you must begin withdrawing funds in the year after you initially open your RRIF. It's also important to keep in mind that payments from the RRIF are considered income for income tax purposes.

The year after you've set up your RRIF, there is an annual minimum payment (AMP) amount to be withdrawn based on your age. For example, if you start withdrawing money in your mid-60s, you'll be getting a lower yearly percentage of your total RRIF holdings. This percentage amount goes up each year as you get older.

If you are approaching retirement age, or are curious about minimum annual RRIF withdrawal calculation rates by age, you can find details on our [RRIF minimum payment schedule](#) page.

### How does a RRIF work?

An RRSP must be converted to a form of retirement income, such as a RRIF, by December 31 of the year you turn 71. Once your RRIF is set up, you must withdraw a minimum amount each year, based on your age. You are not allowed to make contributions to a RRIF; however, you can change and manage your investments within the fund.

Here's a quick overview of the annual minimum withdrawal percentages based on age:

Age range	Annual % range
65 - 70	4.00% - 5.00%
71 - 80	5.28% - 6.82%
81 – 95+	7.08% - 20%

### How are RRIF withdrawals taxed?

All RRIF withdrawals you make are taxable as they are treated just like any other source of income. The amount you pay is based on a few factors:

- If you have other sources of income
- If you are entitled to tax credits or deductions

If you withdraw more than the minimum payment amount, or you request for your bank to do so, your bank will take applicable withholding tax and send it directly to the CRA on your behalf. Depending on your residence, different percentages may apply.

### What happens if I don't want to withdraw money from my RRIF?

As per Income Tax requirements, you are required to start taking the AMP from your RRIF the year after the RRIF was opened. However, if you've opened your RRIF before you turn 71, you could convert it back to an RRSP if you would like. You then follow the same rules that apply to an RRSP.

### What happens to my RRIF when I die?

Upon the date of your death, the funds left in your RRIF may be taxable. If you have a spouse, common law partner, children or grandchildren under the age of 18 who were financially dependent on you, they may be able to have it transferred to their RRSP or RRIF. You can find more details on the [CRA website](#).

If you have any questions regarding RRIFs or other investment products, a TD Personal Banker will be happy to speak with you.

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