

CPRSP PROGRAM – FREQUENTLY ASKED QUESTIONS

What is the CPRSP?

The Contributory Professional Retirement Savings Plan (CPRSP) is a benefit which has been negotiated between the Doctors of BC, the MSC and the Provincial Government and is available to all physicians who have Fee for Service and/or Sessional income, and/or payments received under a non-salaried Service Contract. The CPRSP currently has two components: a Basic benefit and a Length of Service (LOS) benefit.

How are the benefits calculated?

The Basic benefit is based on your prior calendar year's eligible income and the practice type assigned to you by MSP. Physicians who earned over \$100,000 eligible **net** income in the prior calendar year will receive the maximum Basic benefit. The LOS benefit is based on your prior calendar year's eligible income and length of service years in BC. Physicians who have practiced for 20 length of service years or more in BC and meet the minimum income threshold (\$50,001) will receive the maximum LOS benefit. For 2023, the maximum Basic and LOS benefit combined is \$12,600.

When are my benefits available?

Your 2023 CPRSP benefits will be available by November.

How do I claim my benefits?

Log onto www.doctorsofbc.ca, under My Account, My Benefits, select Claim CPRSP. Make sure to contribute to your RRSP/TFSA either in the benefit year that you are claiming, or prior to or immediately after submitting your online claim and receiving the benefit. RRSP/TFSA deposits made after receiving a notice to provide proof of contribution to Doctors of BC will not be accepted.

What Bank Account should my CPRSP Benefit be deposited to?

The decision is yours, however as you will receive a T4A for personal income tax purposes, we typically suggest using a Personal account. Should you choose to use your Corporate account, please discuss any tax implications with your accountant. Please do not enter your RRSP/TFSA account information as we are reimbursing to your bank account, not depositing directly to your RRSP/TFSA.

Are you able to send the CPRSP Benefit directly to my RRSP/TFSA Institution?

No, there is no option to directly send CPRSP funds to any third parties. Direct deposits are sent to the physician's bank account on record only.

Where do I attach my RRSP/TFSA deposit documentation with the online claim?

You do not need to attach your RRSP/TFSA deposit documentation upfront with your online claim; however, you may be selected to provide proof of contribution at a later date.

Make sure to contribute to your RRSP/TFSA either in the benefit year that you are claiming, or prior to or immediately after submitting your online claim and receiving the benefit.

For physicians who are not a member of Doctors of BC and have administration fee balances, your reimbursement will be net of administration fees. However, upon request, your proof of contribution needs to be for the FULL CPRSP benefit amount claimed.

RRSP/TFSA deposits made after receiving a notice to provide proof of contribution to Doctors of BC will not be accepted.

IMPORTANT: Please retain your RRSP/TFSA deposit documentation for a two year period in case you are selected to provide proof of contribution. Failure to provide appropriate documentation will result in a claw back of the unsubstantiated amount from your future CPRSP Benefit.

I have a Corporate Individual Pension Plan (IPP), do I need to attach my IPP deposit confirmation with the online claim?

Yes. You will be required to attach your Corporation's IPP deposit documentation to complete and submit your IPP claim. Physicians with Corporate IPP, must have the CPRSP benefit payments reimbursed to their corporate bank account on record.

If you have closed your Corporate IPP or have recently set one up, please reach out to a Benefits Administrator prior to submitting your online claim (benefits@doctorsofbc.ca).

I have a Corporate Registered Pension Plan (RPP), do I need to attach my RPP deposit confirmation with the online claim?

Yes. RPP is a **new** option starting with the 2023 CPRSP. Similar to IPP, you will be required to attach your Corporation's RPP deposit documentation to complete and submit your RPP claim. Physicians with Corporate RPP, must have the CPRSP benefit payments reimbursed to their corporate bank account on record.

If you have a Corporate RPP, please reach out to a Benefits Administrator prior to submitting your online claim (benefits@doctorsofbc.ca).

What if I did not contribute enough to my RRSP and/or TFSA or Corporation's IPP or (NEW) RPP for a full reimbursement of my total CPRSP benefits?

Any unclaimed CPRSP Basic and LOS benefit can be carried forward for up to an additional two years. If it is not claimed by the expiry date, it is forfeited and placed back into the fund for redistribution the following year.

I have three years of unclaimed CPRSP benefits, in what order are they paid out?

If you do not claim all that is available to you, the oldest benefit amount applies first as it expires first.

I made a large RRSP/TFSA contribution in the 2021 calendar year amounting to \$50,000. Can I use this deposit confirmation to claim my 2021, 2022 & 2023 CPRSP?

No, your 2021 RRSP/TFSA contribution(s) can only be used to reimburse the 2021 CPRSP benefit. The CPRSP encourages you to save annually and regularly towards your retirement. If you intend to claim the total available which includes 2021 to 2023 CPRSP, you will need to make a new/additional contribution totaling your 2022 and 2023 CPRSP benefit amount, around the time of your claim.

I have three benefits years available to claim but have not made any deposits to my RRSP/TFSA in the last three years or have the cash flow to make the deposit prior to submitting my CPRSP online claim. Per Canada Revenue Agency (CRA), I have sufficient RRSP/TFSA room to contribute an equivalent amount. I plan to make the deposit after I am reimbursed. What is a reasonable time for me to make the deposit?

Within two weeks of receiving the cash reimbursement is reasonable.

If selected to provide proof of contribution and you have administration fee balances for any of the three benefits years claimed, your RRSP/TFSA contribution needs to

be a minimum of the total claim amount, not the amount reimbursed that is net of administration fees.

Can I contribute a portion to my RRSP and another portion to my TFSA to total the CPRSP claim amount?

Yes. You would indicate “Both” on the CPRSP online claim.

When selected to provide proof of contribution, what types of deposits/contributions are acceptable?

1. Deposits to your personal or spousal RRSP (where you are the registered contributor). 2. Over contribution noted on your latest Notice of Assessment. (RRSP contribution limits are not the same as RRSP over contributions). 3. Physicians with an employer pension plan, the YTD employee deduction towards the pension. 4. Deposits to your personal TFSA. (Does not include deposits to your spouse’s TFSA account.)

What documentation will be sufficient to prove that I have made a deposit/contribution to my RRSP and/or TFSA?

PLEASE NOTE: Your RRSP/TFSA deposits made after receiving a notice to provide proof of contribution to Doctors of BC will not be accepted.

1. A copy of your official contribution receipt. 2. RRSP statement showing Institution name, your name, “contribution” amount and date contribution made. 3. Online deposit confirmations, provided your name, contribution amount, date of contribution and account type are shown. 4. Your financial planner providing you with a letter or e-mail with details of your RRSP and/or TFSA deposit(s) along with their company letterhead or electronic signature. 5. Latest notice of assessment showing over contributions not applied for income tax purposes. **RRSP contribution limit is not the same as RRSP overcontribution available to apply in the following income tax year.** 6. CRA (Canada Revenue Agency) RRSP/TFSA deposit summary where the financial institution, physician, contribution amount and date contribution made can be identified. 7. YTD paystub showing EE deduction towards your pension. 8. TFSA statement or deposit confirmation showing Institution name, your name, “contribution” amount and date contribution made. **Your spouse’s TFSA cannot be used.**

Can I complete and email or mail an old CPRSP application form and deposit confirmation to the Doctors of BC?

No, we have not processed old CPRSP application forms since June 2020. Please log onto www.doctorsofbc.ca, under My Account, My Benefits, select Claim CPRSP. Your submitted claim will be processed and paid within three weeks, if not sooner.

I am 71 this year and need to roll my RRSP into a RRIF by December 31, 2023. Will I need to submit my claim before the end of the year?

You will need to arrange with your financial institution to make your RRSP contribution prior to December 31, 2023, however your CPRSP online claim for cash reimbursement can be submitted after the end of the year.

I am turning 72 this year, will I be receiving a CPRSP benefit?

Yes, if you have eligible income in the prior calendar year in BC. TFSAs qualify for the CPRSP benefit and have no age restrictions.

Where do I get my contribution receipt for my RRSP deposits?

Your financial institution will forward the appropriate income tax contribution receipt(s) directly to you. If you have not received it by the end of March for your 1st 60 days RRSP contribution(s), please reach out to your financial institution.

Where do I get my receipt for my TFSA deposits?

Your financial institution can provide you with the appropriate receipt(s). No income tax receipt will be issued by your financial institution for deposits made by you to your personal TFSA.

Please consult with your accountant to discuss tax implications of contributing to a TFSA versus a RRSP.

Are the CPRSP Basic and LOS benefits taxable?

The CPRSP is a taxable benefit and as such a T4A will be issued in February of the year following the calendar year in which the CPRSP was paid. You will also receive a RRSP contribution receipt from the trustee of your RRSP, which can be used as a deduction for income tax purposes. Both these slips must be included on your income tax return. A T4A is not issued when the CPRSP claimed is reimbursed to your corporation for the corporation's IPP or **(NEW)** RPP only.

Do physicians generally have accountants and/or financial advisors?

Yes. Physicians are experts in the medical field but may not also have financial expertise. To reduce administrative burdens, we strongly recommend physicians to have these third-party support systems in place.

I am not a member of the Doctors of BC – can I still claim?

Yes. If you are not a member in the year the benefit is allotted, an administration fee of the lesser of 50% of your Basic benefit or the balance remaining of your equivalent Doctors of BC membership dues, plus GST, will be deducted prior to payment, for each benefit year being claimed. An administration fee receipt will be issued to you in February of the following year.

Please review your membership category to make sure it is accurate, even if you are choosing not to renew.

If selected to provide proof of contribution, your RRSP/TFSA contribution needs to be a minimum of the total claim amount, not the amount reimbursed that is net of administration fees.

An administration fee receipt will be issued to you in February of the following year.

What CPRSP dates are important to remember?

November 2023 – Benefit is made available via the Doctors of BC website to claim.

March 31, 2024 – Unclaimed 2021 CPRSP benefits will expire and forfeit.

May 2024 - Physicians will be randomly selected and notified to provide proof of contribution to their RRSP/TFSA. Physicians who claimed CPRSP benefits from May 1, 2023 to April 30, 2024 will be included in the random selection process.

PLEASE NOTE: RRSP/TFSA deposits made after receiving a notice to provide proof of contribution to Doctors of BC will not be accepted. Make sure to contribute to your RRSP/TFSA either in the benefit year that you are claiming, or prior to or immediately after submitting your online claim and receiving the benefit.

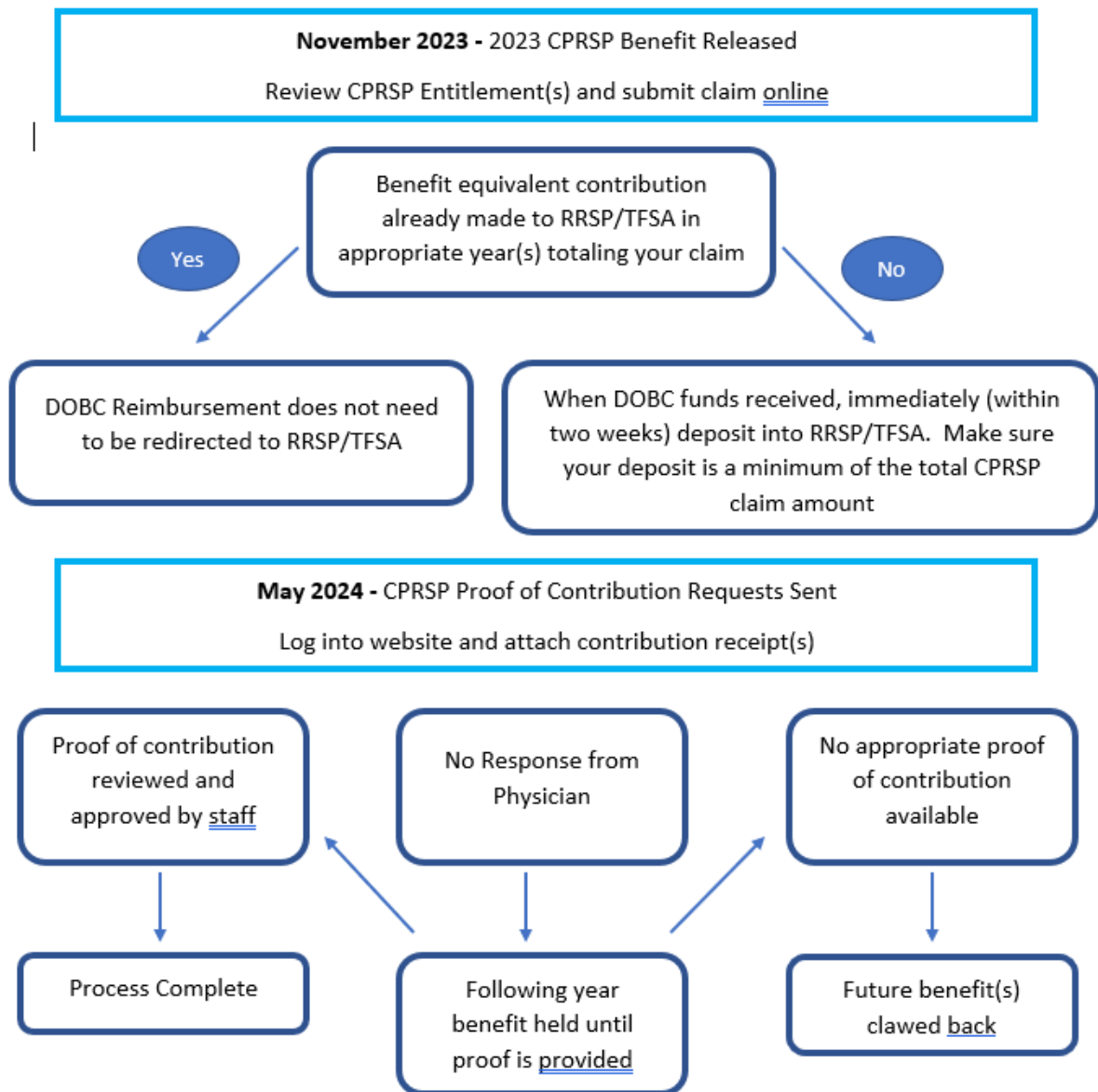
June 30, 2024 – Deadline to upload RRSP/TFSA deposit documentation, if selected to provide proof of contribution.

September 2024 – CPRSP benefits, from physicians who were not able to provide sufficient deposit confirmation documentation, will be clawed back the unsubstantiated amount. There is no option to pay the benefit back. Once claw back is applied in full, applicable physicians will be able to claim again.

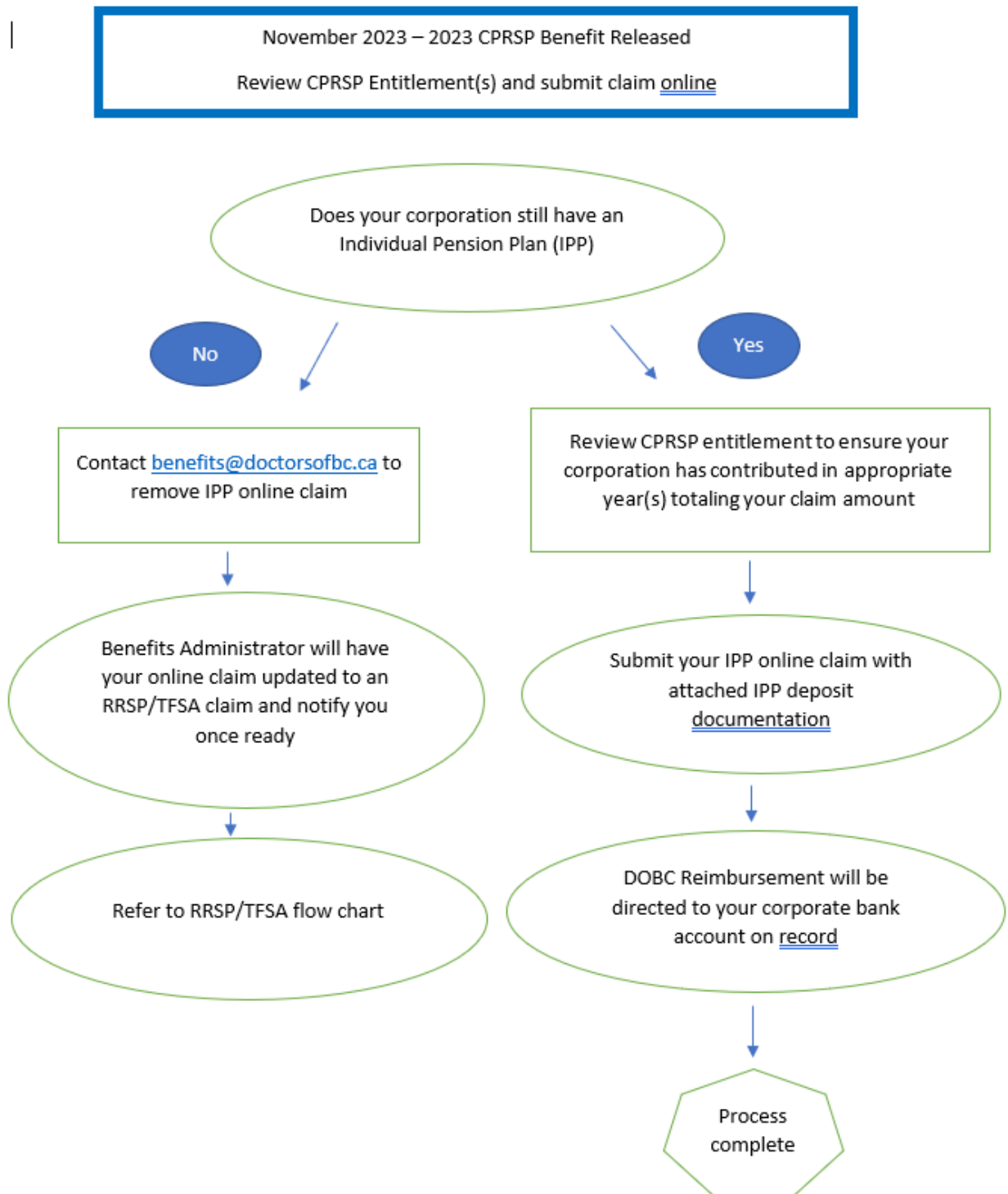
I have more questions.

For more information, please e-mail benefits@doctorsofbc.ca or call for
CPRSP Benefits 604-638-2926
Website login 604-638-2927

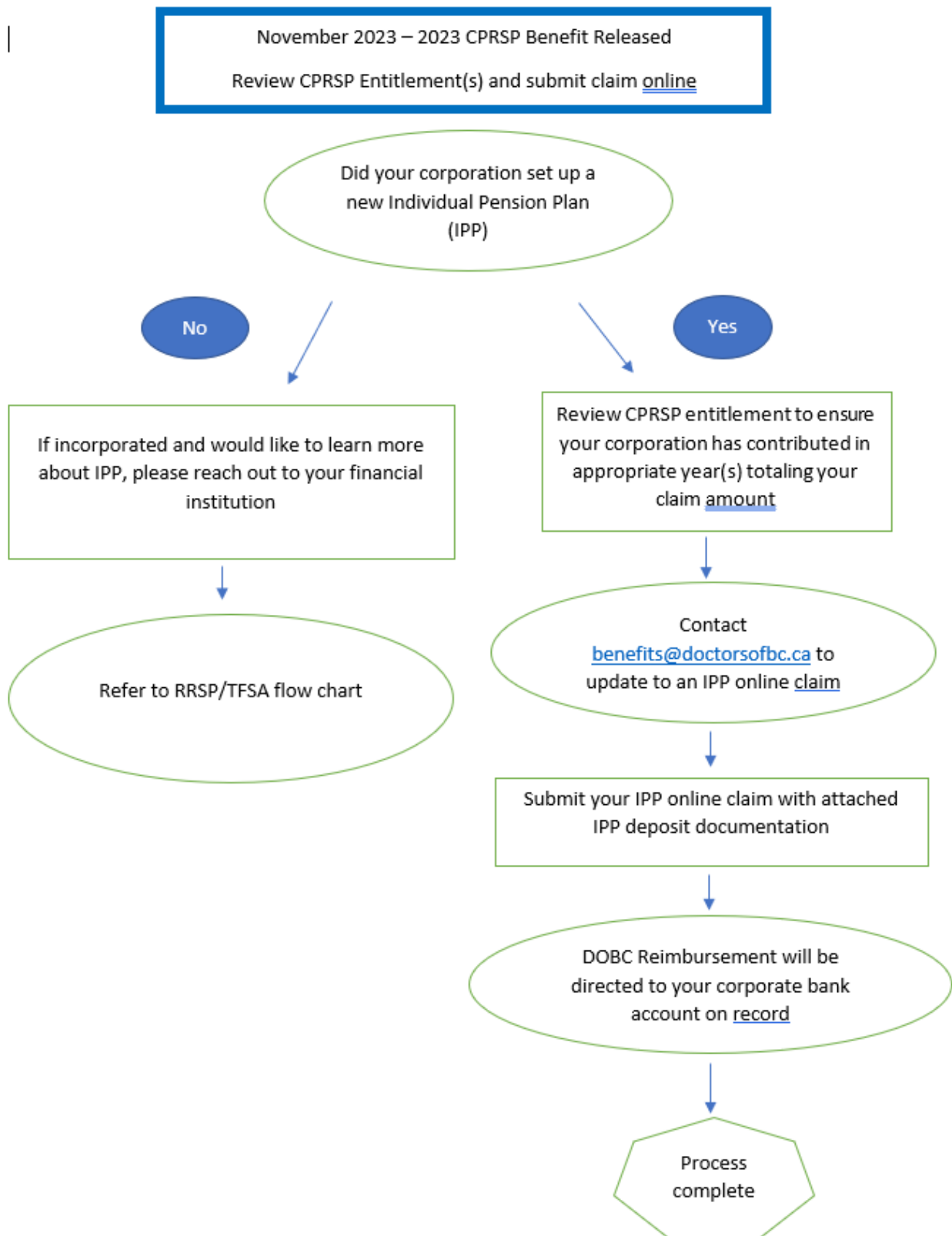
RRSP/TFSA flow chart



IPP flow chart – Had an IPP in 2022



IPP flow chart – Switched from an RRSP/TFSA to IPP



RPP flow chart

