

IN THE LOOP

What's new for 2024?

Get Ready for CPP2!

- Employee and employer CPP contribution rates will remain at 5.95%, but the maximum pensionable earnings will increase to \$68,500.
- The self-employed CPP contribution rate remains at 11.9%
- Starting Jan. 1, 2024 a second CPP contribution rate and earnings ceiling is being introduced that will be called the “year’s additional maximum pensionable earnings” (YAMPE). It will only affect workers whose incomes are above the first earnings ceiling.
- Pensionable earnings between \$68,500 and \$73,200 will be subject to “second CPP contributions” (CPP2) at an employee/employer rate of 4%, with a maximum contribution of \$188 each. The 2024 self-employed CPP2 contribution rate will be 8%, and the maximum self-employed contribution will be \$376.
- For self-employed individuals, the total cost of CPP will be \$8,111, for those with taxable incomes of \$73,200 or more.
- For incorporated individuals – the additional contribution rates might need to be considered when deciding on whether to pay themselves salary or dividends (which are not subject to CPP contributions)

Deadlines & Contribution Room

2024 TFSA Contribution limit is \$7,000

TFSA lifetime contribution is **\$95,000**

For **2023 RRSP** contributions, the deadline is

February 29, 2024

Please contact us no later than **February 23, 2024** if you'd like to make a contribution

Anyone with a First Home Savings Account (FHSA) will be able to contribute up to an additional **\$8,000 in 2024**

Mortgage News:

With interest rates having gone up very quickly over the last 2 years, many people are concerned about their mortgage renewal and what the increased rates will look like for them at renewal.

As part of the fall economic statement released in November, a Canadian Mortgage Charter was introduced. This Charter is a non-binding set of guidance and expectations Ottawa has laid out for the banks to better help “vulnerable borrowers” under financial strain. A copy of the Charter can be found at this link: [Canadian Mortgage Charter](#).

A few key things to note about the Canadian Mortgage Charter (CMC):

- The Canadian Mortgage Charter (CMC) is not a law and there are no plans to pass legislation enshrining it in law
- There are no mandates stating that Banks have to follow the rules of the Charter
- It is up to the Banks discretion to determine if you are considered a ‘Vulnerable Borrower’ under financial strain
- It is up to the Banks discretion to determine if any of the new rules should be applied

If your mortgage is coming up for renewal within the next year please reach out to us so that we can review your individual situation and, if needed, come up with a plan of action to prepare for a rate increase at renewal.

NEW Client Portal:

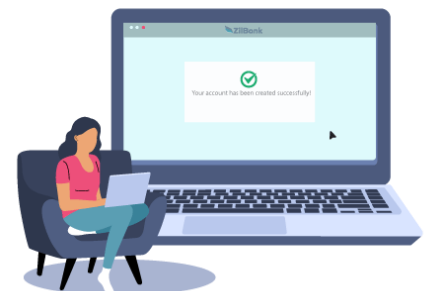
We have moved to a **NEW** Online Client Portal. If you have not already signed up, please use the information below to register.

Note: you will have a NEW username (as noted below) and there will be a NEW link to access the portal

Registration Link: clientportal.aligned.digital/register

NEW Username format is as follows:

- (LAST NAME)(FIRST INITIAL)(Last 3 digits of SIN)
- ALL CAPITAL LETTERS (no spaces)
- For example, John Doe with a SIN number 123 456 789 would be **DOEJ789**



Once your account has been set up, the link to access your account is as follows: clientportal.aligned.digital. This link is also available on our website at www.snowdenfinancial.ca through the ‘Investments’ drop-down menu labeled ‘Online Access’.