



What to do with your tax refund

Contribute more to your RRSP – Get a jump on next year's contributions. You can benefit from the power of compound growth by contributing early.

Pay off credit card debt – Eliminating high interest credit card debt can help free up cash flow that could be used to start monthly contributions to your RRSP allowing you to further enhance your retirement savings.

Pay down your mortgage – Increasing your retirement nest egg and reducing your mortgage debt is a win-win situation.

Pay off your RRSP loan – Paying down your loan more quickly will decrease the cost of borrowing and free up money sooner to help achieve other financial goals.

Contribute to an RESP for your child/grandchild's education – Up to \$4,000 per child per year, to a lifetime maximum of \$42,000. The Canadian Education Savings Grant (CESG) will contribute 20 percent on the first \$2,000 per year to a maximum of \$400 annually, and a lifetime maximum of \$7,200 per child.

Set aside an emergency fund – The equivalent of three to six months salary should be set aside for unexpected future expenses.

Insure your RRSP – Purchasing a critical illness insurance policy with your refund can provide financial protection in the event of an illness.

Reward yourself! – Contribute to an RRSP and use the refund for a big purchase.