

## TFSA – Tax Free Savings Account

Take advantage of the new savings account to maximize your savings. Suitable for all income levels, the **TFSA** can be used to start a savings program or to enhance your existing portfolio. The **TSFA** allows benefits similar to an RRSP. However, the growth in the **TFSA** is tax free with the flexibility to withdraw funds at any given time without penalty.

There are many other benefits to the **TSFA**. Contact *DTA & Associates* to discuss your needs and how we can help you save for your future.

## Convenient Income Tax Preparation

Our commitment to servicing our clients is second to none. Whether it's meeting at our office or meeting in the convenience of your home, we're just a phone call away.

In fact, try our "FREE" pick up tax service. Call our office for arrangements and we'll pick up your tax information, prepare and E-file it at our office. We'll then bring everything back to you.

## Five tips to reduce your 2008 taxes

### 1. Contribute to your RRSP

Don't wait until February 2009 to contribute to your RRSP for 2008 – contribute now. The earlier you contribute to your RRSP, the quicker it will grow for your retirement and be sheltered from tax.

Your maximum contribution limit for 2008 is 18% of your earned income from 2007 up to a maximum of \$20,000. If you participate in a pension plan, keep in mind the various pension adjustments.

If you have unused contribution room from previous years and if it is financially feasible, use the unused contribution room for the 2008 year by contributing an additional amount equal to the unused room.



### 2. Pension Splitting

If you are 65 and over and have a spouse or common law partner and receive income that qualifies for the pension income tax credit, up to half of your pension income can be "split" and transferred to your spouse. Certain rules and conditions apply.

### 3. Student Loan Interest

If you are repaying your student loans back to an authorized lender there is a credit (15% federal and 6.05% provincial) available to reduce your taxes on the interest portion paid on the student loan.

### 4. Children's Fitness Programs

If your children are under the age of 16 and are enrolled in a fitness program such as hockey, soccer, swimming and horseback riding, you are entitled to a tax credit of up to \$500 against fees paid to enroll your children in the program.

### 5. Medical Expenses

You can claim, as a non-refundable tax credit, medical expenses for yourself, your spouse or common-law partner, and your children born in 1991 or later. For 2008, the total expenses have to be more than 3% of your net income, or \$1,926, whichever is less.

These are just some of the ways to minimize your taxes. Contact *DTA & Associates* to find out other ways to save on your taxes that might apply to your particular situation.



2-390 Muskoka Rd. North  
Gravenhurst, ON  
P1P 1G3  
(705) 687-7737  
[www.dtaa.ca](http://www.dtaa.ca)