

# Understanding RRSP and DPSP Beneficiary Designations



Review and update your RRSP and DPSP beneficiary designations as part of your retirement planning.

A beneficiary is the person or entity you name to receive the funds in your RRSP or DPSP when you pass away.

## How to Designate a beneficiary

**During the enrolment process or via a change form:** The most common method  
**Online or via your provider's mobile app:** Convenient and accessible  
**In your will:** The enrolment form usually overrides the will unless explicitly revoked.

## Who can be a beneficiary?

**Spouse or common-law partner:** The most common choice  
**Adult children or other individuals:** You can name any adult  
**Charity:** Consider leaving a legacy  
**Contingent beneficiaries:** If the primary beneficiary predeceases you  
**Multiple beneficiaries:** Specify percentages  
**Your estate:** Distributed by your will.

## Tax Implications

**Spouse or common-law partner:** The RRSP/DPSP can be rolled over tax-free into their RRSP or RRIF.  
**Non-spouse beneficiary:** The full value of the RRSP/DPSP is taxed as income on your final return.  
**No named beneficiary:** The plan becomes part of your estate and is taxed accordingly.

## Special Considerations for Non-Canadian Residents

**If your beneficiary is not a Canadian resident:**  
RRSP/DPSP proceeds are subject to a 25% Canadian withholding tax, possibly reduced by tax treaties.  
No tax-deferred rollover is available.  
Additional paperwork and delays may apply for estate settlement.

## Frequently Asked Questions

**Can I name someone outside Canada?** Yes, but be aware of the tax and legal implications.  
**Can I change my beneficiary later?** Absolutely, updates can be made anytime.  
**Should I name my estate?** This may simplify estate planning but could increase taxes and probate fees.