Canada Revenue Agency | Agence du revenu du Canada

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Additional Tax on Accumulated Income Payments from RESPs

Use this form to calculate the amount of additional tax you have to pay on accumulated income payments (AIPs) you received in 1999 and later years from registered education savings plans (RESPs).

For information on what are AIPs and if you need to fill out this form, see the instructions on the next page.

Identification

Last name	First name and initials	Social insurance number (SIN)

Address	City	Province or Territory	Postal code

Calculating the additional tax on AIPs received during the year

Part A – Fill out this part if you:

- are the original subscriber
- acquired the former subscribers' rights as a consequence of marriage breakdown
- are or were the spouse or common-law partner of a deceased original subscriber, where there is no subscriber of the plan
- are a subscriber who has, under a written agreement, acquired a public primary caregiver's rights as a subscriber under the plan

Total of all AIPs you received or the promoter had transferred to an Registered Retirement Savings Plan (RRSP), Pooled Registered Pension Plan (PRPP) or Specified Pension Plan (SPP) on your behalf, during the year. This amount is shown in box 040 in the "Other Information" section of all the T4A slips issued to you for the year the AIPs were received . . . **68270** $ **1**

Total amounts you or your promoter contributed on your behalf to your RRSP, PRPP, or SPP, or the RRSP or SPP of your spouse or common-law partner, in the year you received the AIPs or the first 60 days of the following year, that you deducted on line 20800 of your income tax and benefit return for the year you received the AIPs. This amount cannot be more than your RRSP deduction limit for that year . . . $ **2**

Amount from line 1 or 2, **whichever is less** . . . **3**

Maximum lifetime RRSP contribution limit that can be used to reduce or eliminate the amount of AIPs subject to the additional tax . . . $ **50,000.00** **4**

Total of all amounts used to reduce the amount of additional tax payable on AIPs received in previous years (if applicable). This amount is the total of the amount entered at line 5 of all T1172 forms you filed for 1998 and at line 7 of all T1172 forms you filed for 1999 and later . . . – **5**

Line 4 **minus** line 5 . . . = $ **6**

Amount from line 3 or 6, **whichever is less** . . . – **7**

Amount of AIPs subject to the additional tax: line 1 **minus** line 7 . . . = $ **8**

Rate of the additional tax on AIPs . . . × **20%** **9**

Additional tax on AIPs: line 8 **multiplied** by line 9. If you were a resident of Quebec on December 31 of the year you received the AIPs, fill out Part C below. Otherwise, enter this amount on line 41800 of your income tax and benefit return for the year you received the AIPs . . . = $ **10**

Part B – Fill out this part only if Part A does not apply to you.

Total of all AIPs you received from RESPs during the year. This amount is shown in box 040 in the "Other information" section of all T4A slips issued to you for the year the payments were received . . . **68280** $ **11**

Rate of the additional tax on AIPs . . . × **20%** **12**

Additional tax on AIPs: line 11 **multiplied** by line 12. If you were a resident of Quebec on December 31 of the year you received the AIPs, fill out Part C below. Otherwise, enter this amount on line 41800 of your income tax and benefit return for the year you received the AIPs . . . = $ **13**

Part C – Fill out this part **only if you were a resident of Quebec** on December 31 of the year you received the AIPs.

Enter the amount from line 10 or 13, whichever applies . . . $ **14**

Adjustment for residents of Quebec . . . × **60%** **15**

Additional tax on AIPs: line 14 **multiplied** by line 15. Enter this amount on line 41800 of your income tax and benefit return for the year you received the AIPs . . . = $ **16**

Certification

I certify that the information given on this form is correct and complete.

Signature

Year Month Day

See the privacy notice on your return.

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Instructions

Find out about accumulated income payments

AIPs are amounts, usually paid to the subscriber, of the income earned from a registered education savings plan (RESP), other than refunds of contributions, educational assistance payments (EAPs), payments to a designated educational institution in Canada, transfers to another RESP, or repayments under the Canada Education Savings Act or under a designated provincial program.

An RESP may (after 1997) allow for AIPs when the following two conditions are met:

- the payment is made to, or for, a subscriber under the RESP who is a resident of Canada
- the payment is made to, or for, only one subscriber of the RESP

Also, **any one** of the following three conditions must be met:

- the payment is made after the year that includes the 9th anniversary of the RESP and each individual (other than a deceased individual) who is or was a beneficiary has reached 21 years of age and is not currently entitled to receive an EAP
- the payment is made in the year that includes the 35th anniversary of the RESP, unless the RESP is a **specified plan** (a non-family plan where the beneficiary is entitled to the disability tax credit for the beneficiary's tax year that includes the 31st anniversary of the plan) in which case the payment is made in the year that includes the 40th anniversary of the RESP
- all beneficiaries under the RESP are deceased when the payment is made

AIPs are reported in box 040 in the "Other information" section of the T4A slips issued in the name of the recipient. Box 040 includes the amount from box 122, "RESP accumulated income payments paid to other." The recipient has to include the total of all AIPs on line 13000 of their tax return for the year the payments are received and pay the regular tax. These payments are also subject to an additional tax.

You can use this form to reduce the amount of AIPs subject to tax (up to a lifetime maximum of $50,000) if one of the following situations applies:

- you are the original subscriber
- you acquired the former subscribers' rights as a consequence of marriage breakdown
- you are or were the spouse or common-law partner of a deceased original subscriber, where there is no subscriber of the plan
- you are a subscriber who has, under a written agreement, acquired a public primary caregiver's rights as a subscriber under the plan

Note

You cannot reduce the AIPs subject to tax if you became a subscriber under the plan after the death of the **original** subscriber.

If you can reduce the amount of AIPs subject to tax because you meet one of the situations above, you must also meet both of the following conditions:

- you contribute the amount to your registered retirement savings plan (RRSP), pooled registered pension plan (PRPP) or specified pension plan (SPP), or the RRSP or SPP of your spouse or common-law partner, in the year the AIPs are received or in the first 60 days of the following year
- your RRSP deduction limit allows you to deduct the amount contributed to your RRSP, PRPP or SPP, or the RRSP or SPP of your spouse or common-law partner; Claim the deduction for the year in which any payments are made

Find out if you have to fill out this form

If you receive AIPs in 1999 or later years, you have to fill out this form to calculate the additional tax. Fill out Part A or Part B (whichever applies) and, if you are a resident of Quebec, Part C.

Attach a copy of this form to your income tax and benefit return for the year you received the AIPs. You have to pay the additional tax by the balance due date for your regular tax, usually April 30 of the year that follows the year in which you received the AIPs. Where the recipient is a trust, the balance due date is 90 days after the end of the tax year of the trust in which the payments are received. For information about the balance due date in the case of a deceased person, go to **canada.ca/guide-taxes-deseased-person**, or contact the Canada Revenue Agency at **canada.ca/cra-contact**.

Additional information

For more information about AIPs and RESPs, refer to Guide RC4092, Registered Education Savings Plans (RESP).