



## Transfer from a TFSA to Another TFSA on Breakdown of Marriage or Common-law Partnership (cont'd.)

### Who should use this form and why?

This form is for use by a TFSA Holder or the Transferor, or for a TFSA Holder's Spouse or Transferee, to request the transfer of an amount in the Holder's TFSA to the TFSA of the Holder's Spouse where:

- those individuals are or were Spouses;
- the transfer is required as part of the division of property in the settlement of the individuals' rights with respect to the breakdown of marriage or common-law partnership; and
- the transfer is in accordance with the terms of a valid Order.

#### *If you are the individual FROM whose TFSA an amount is to be transferred:*

Complete Area 1 of the form and take, or send the form or your written instructions, to the Transferor (your financial institution) or your financial advisor. If you do not have complete information about the TFSA to which the amount is to be transferred, the Transferee (the financial institution of your Spouse) can complete Part C of Area I.

#### *If you are the individual TO whose TFSA an amount is to be transferred:*

Provide the Transferor, through your financial institution or your financial advisor, with this form or your written instructions, including a copy of the Order if requested (you can include a copy of the Order to the Transferor sealed in an envelope).

**Area I:** The Holder who requests the transfer completes and signs Area I. A Transferor who completes Area I for the Holder can attach written instructions from the Holder requesting the direct transfer, in place of a signature. If the Transferor does not have complete information about the Spouse's TFSA, the Transferee can complete Part C of Area I.

**Area II:** The Transferee completes and signs Area II, and it is countersigned by the Spouse. The Transferee can attach written instructions from the Spouse acknowledging the certification, in place of a countersignature.

**Area III:** The Transferor completes and signs Area III.

### Are there any tax implications?

No amount transferred in accordance with this form is reported as a TFSA withdrawal or a contribution to a TFSA for income tax purposes, nor does such a transfer alter the permitted TFSA contributions of either individual. Do not issue a tax receipt for tax purposes.

### Definitions

**Holder:** The person who is entitled to receive distributions from a TFSA as defined in section 146.2 of the *Income Tax Act*.

**Income Tax Act:** The *Income Tax Act* (Canada).

**Individual account number:** The numerical or alphanumeric identifier assigned by the Issuer to the individual account, contract, certificate, annuity, deposit or other qualified investment identified in subsection 146.2(1) of the *Income Tax Act*, with whom a Holder has a contract or arrangement that the Issuer has filed with the Minister of National Revenue to register as a TFSA.

**Issuer:** A person offering qualifying arrangements who is authorized to provide trustee services, annuities contracts or deposits, as defined in subsection 146.2(1) of the *Income Tax Act*.

**Order:** A decree, order or judgment of a competent tribunal, or a written separation agreement.

**Spouse:** A spouse or common-law partner of the Holder or a former spouse or former common-law partner of the Holder as defined under the *Income Tax Act*.

**Tax-Free Savings Account ("TFSA"):** A qualifying arrangement registered with the Minister of National Revenue.

**Transferee:** The Issuer of the TFSA *TO* which the property is transferred.

**Transferor:** The Issuer of the TFSA *FROM* which the property is transferred.

#### **Transferred amount:**

**All in kind (as is):** The entire account, including any cash balance, in the form the assets are in the account when the transfer is initiated (mutual funds, shares, annuities, cash, etc.)

**All in cash:** The entire account in cash, after all assets are redeemed or converted to cash

**Cash balance only:** The cash balance in the account at the time the transfer is processed by the Transferor

**All assets, but mixed in cash and in kind:** The entire account, but some assets in kind and some in cash

**Partial:** The specified assets in an account.