

High-level comparison between FHSA, RRSP HBP and TFSA



The new account is a hybrid between a Registered Retirement Savings Plan (RRSP) and a Tax-Free Savings Account (TFSA)

	First Home Savings Account (FHSA)	Registered Retirement Savings Plan (RRSP) - Home Buyers Program	Tax-Free Savings Account (TFSA)
What is it?	New product to help eligible home buyers save (different than the Home Buyers Program)	Feature within the RRSP to help home buyers with their home purchase	Savings product for all kinds of goals (short or long-term goals)
Who is eligible?	Resident of Canada 18 years of age; not living in a house they owned or that was owned by their current spouse/common law partner in current calendar year or last 4 years	Resident of Canada 18 years of age; not living in a house they owned or that was owned by their current spouse/common law partner in current calendar year or last 4 years	Any individual that is a resident of Canada who has a valid SIN and who is 18 years of age or older
Can I combine both the RRSP and the FHSA?	Yes, RRSP HBP and FHSA can be used in combination	Yes, RRSP HBP and FHSA can be used in combination	TFSA savings can be used for any savings goals
Are contributions tax-deductible?	Yes	Yes	No. Contributions are after-tax.
Is income earned taxable?	No	No	No
Are withdrawals taxable?	No	No	No
What is the annual contribution limit?	\$8,000 maximum	The lesser of: • 18% of annual income, or • the annual CRA limit	Based on CRA limit (i.e. \$6,500 for 2023)
What is the maximum lifetime contribution limit?	\$40,000	\$60,000	Depends on annual CRA limits and age of resident
Can I carry over amounts from previous years?	Yes; \$8,000 maximum from previous year	Yes; based on unused RRSP contributions from previous years	Yes, based on unused amounts from previous years

	First Home Savings Account (FHSA)	Registered Retirement Savings Plan (RRSP) - Home Buyers Program	Tax-Free Savings Account (TFSA)
Is there an expiry date to close the account?	<ul style="list-style-type: none"> • After 15 years; • Age 71; • The following year a withdrawal is made 	Age 71	No
Are the unused amounts transferable?	RRSP or RRIF or withdrawal (taxable)	N/A	N/A
Is there any impact to my RRSP contribution room when transferring unused amounts to my RRSP?	No	N/A	N/A
Is there a pay back required?	No	Yes; payback period is 15 years	No, but amounts withdrawn can be recontributed in future years