

SASKATCHEWAN PENSION PLAN EMPLOYER NEWSLETTER

POST-REGISTRATION

2023



How to remit contributions*

Employers can decide, with their employees, when contributions will be submitted to SPP. Regular contributions can be taken from payroll and submitted to SPP monthly, quarterly, or when it best suits the company. During the sign-up stage, employers are asked to select when they would like to remit.

When you are ready to send a payment to SPP, log into the Employer Remittance System (ERS). You can make your payment by cheque, by credit card, through your financial institution or by pre-authorizing payments from a bank account or credit card.

Within ERS you will choose and set up your payment method, indicate the amount to be paid for each employee and submit this remittance advice directly to SPP. If paying by cheque or online banking, proceed with issuing the payment to SPP. When SPP receives and processes your payment, you will receive notice that your remittance receipt is available in the Documents tab in ERS. Contact SPP for assistance with this step if required.

Initial refund period

For first time contributors who decide the Plan does not meet their retirement planning needs, there is a 60-day initial refund period. Members may receive a refund of their account if they change their mind within 60 days of their date of application or their first contribution, whichever is later.

*Annual contributions made must be within RRSP limits.

Changing account information

The details on your Employer Remittance Statement will reflect the information you provided. You may change the following information at any time using the tabs within ERS:

- Contact person, address or phone number.
- Add a new employee (include a signed application form and proof of age document).
- Remittance method and amount.

Transfers to SPP

Members may transfer into their SPP account from a Registered Retirement Savings Plan (RRSP), Registered Retirement Income Fund (RRIF) or an unlocked Registered Pension Plan (RPP). Transfers in are subject to all Plan rules including the lock-in provision.** Since these are direct transfers there are no tax implications. The [form to initiate a transfer](#) to SPP is available by calling SPP or by downloading it from our website.

**Funds are locked in until age 55.



SASKATCHEWAN PENSION PLAN IS AN EASY, MEANINGFUL WAY TO SHOW EMPLOYEES YOU CARE

Happy employees are vital to the financial success of your business. A company pension plan not only rewards employees for their hard work, but is a long-term investment in their future well-being too. It's a benefit that lasts a lifetime!



OFFICE CONTACT INFORMATION

Kindersley:
608 Main St,
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Phone: 1-800-667-7153
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employerrequests@saskpension.com

Saskatoon:
#206 Norplex Business Centre
Phone
Gail: 1-306-249-0048
Jody: 1-306-249-0047
Email: businessplan@saskpenion.com

Employee issues

Marital Division

If an employee's account becomes part of a settlement in a division of property on the breakdown of a spousal relationship, it will be divided as specified in the Family Property Division Agreement of Separation Agreement and Inter-spousal Contract. The funds remain invested with SPP and the receiving spouse must become a member of the Plan for the division to be completed. The funds in both accounts remain locked-in until retirement. Both parties have the opportunity to add to their account if they wish.

Maintenance Orders

SPP account balances and pension payments are subject to attachment under The Enforcement of Maintenance Orders Act, 1997. SPP will act as specified in the Notice of Attachment. Call the SPP office for more information.

Choosing a beneficiary

Each employee who joins SPP is required to name a beneficiary for their account. In the event that an employee dies before beginning to receive retirement payments, the funds in the employee's account will be paid to the beneficiary. If the beneficiary's social insurance number (SIN) is not available, please send in the forms without it. Beneficiaries can be changed at any time and SINs can be added.

For all beneficiaries, including the spouse, death benefits received as cash become taxable income in the year received. The beneficiary or estate will receive a T4A to file with their income tax return. The T4A provides the beneficiary or estate with the total amount of the death benefit and the amount of tax paid to CRA on their behalf. The amount of withholding tax is determined by CRA using the schedule below.

Account Balance	Tax Rate
\$5,000 or less	10%
\$5,001 to \$15,000	20%
More than \$15,000	30%

For example, if the account balance is \$9,000 at death and the beneficiary chooses to take the payment in cash, the beneficiary will receive a cheque for \$7,200 and \$1,800 of withholding tax will be sent to CRA on the beneficiary's behalf. It is the employee's responsibility to ensure that beneficiary information is up-to-date and reflects their intentions. Changes in marital or family status or changes to the status of a minor may necessitate an update of beneficiary information. Should employees wish to change their beneficiary, a [Designation of Beneficiary form](#) is available from our website, saskpension.com, or by calling the SPP office.

Some factors to consider when choosing a beneficiary are:

- If naming more than one person as beneficiary, it is important to indicate what share of the account each beneficiary is to receive.
- When naming more than one person as beneficiary, the share of a deceased beneficiary will be paid to the survivor(s) unless otherwise indicated.
- When estate is named, the funds are paid to the estate, less withholding tax. It is then part of the money used to settle debts of the estate, and the balance is distributed according to the terms of the will.
- When naming minor children as beneficiaries, contact a lawyer to setup the trust and appoint a guardian for the children. If no trust is set up and no guardian appointed, any funds left to them will be payable to the provincial Public Trustee to be invested and administered on the minors' behalf until they become adults.

Death benefits

When an employee dies, it's important for their survivor(s) to contact SPP so that payment can be made to the beneficiary.

If an employee names their spouse as the beneficiary, Canada Revenue Agency allows death benefits to be transferred directly to the spouse's SPP account or to an RRSP, RRIF or guaranteed life annuity. Similarly, the death benefit can be rolled over to an RRSP or Registered Disability Savings Plan for a financially dependent infirm child or grandchild.

PRIVACY

SPP collects only the personal information necessary to administer our program. Our privacy policy stipulates that personal information can be disclosed only to the member. Exceptions may be made if there is written consent from the member. If you have questions about our privacy policy, please call the toll-free line: 1-800-667-7153.

RETIRING FROM SPP

Retirement from SPP can occur between the ages of 55 and 71. SPP sends retirement information to the employee on request. When an employee retires from SPP, all an employer needs to do is remove them from their employee list under Manage Employees.

DID YOU KNOW?

If your employees have questions on topics related to their SPP account, investments or anything financial, SPP has a financial planner available to find the information that will help them make an informed decision based on their unique circumstances and the options available.



SaskPension.com

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If any discrepancy arises between the information contained in this newsletter and the Act, the Act will prevail.