

# RETIREMENT NEWS

FEBRUARY 2021



## Message from Tim Calibaba

It's been my pleasure to serve as a member of the Saskatchewan Pension Plan (SPP) Board of Trustees for 12 years and Chairperson for the last eight years.

During the time I've been on the Board I can honestly say it's an extremely well run plan with diversified investments coupled with excellent returns.

The focus of the Board has always been on achieving above average returns with lower than average risk. We believe slow and steady wins the race.

Looking forward, we plan to continue monitoring our investment strategy - always striving for the best possible asset mix and investment managers to benefit our members.



This past year we were successful at receiving approval to offer a Variable Benefit (VB) option for our retiring members from Saskatchewan; this is an excellent option for them to continue to be invested in our plan and receive pension income payments from SPP.

We're looking forward to continued success for our plan and our members.

## T4A and general information

Included with this newsletter is your 2020 T4A (or NR4 if you live outside of Canada). This slip records any taxable benefit you received during the year and is required when you file your income tax return with Canada Revenue Agency (CRA).

- SPP income is taxable to the person named on the T4A/NR4.

- Your January 1, 2021 pension payment was paid to you on Dec 31, 2020 and is part of the total in Box 016 of your 2020 T4A. Amounts in Box 016 qualify for the Pension Income Amount.

- Pension payments can be received wherever you live. Tax is withheld using the tax rates provided to us by CRA. Contact SPP for details.

### 2021 PAYMENT DATES

Feb 1	Mar 1
Apr 1	Apr 30
Jun 1	Jun 30
Jul 30	Sept 1
Oct 1	Nov 1
Dec 1	Dec 31

### 2021 SPP RESOLUTIONS

I will provide the name of a contact person/Power of Attorney.

I will confirm my mailing address, phone number and email address.

I will update my refund life annuity beneficiary information.

I will sign up to receive my newsletter by email.

### MISSING MEMBERS

If you know these members please contact us:

Stanley Davies

Kuanren Yang

Lucienne Raymond

## Tax notes

### Pension income amount/splitting

Pension income splitting reduces your taxable income by shifting a portion of your income to the lower-earning partner, thus reducing your overall tax burden as a retired couple or household. You may transfer up to 50 per cent of your eligible pension to your spouse or common-law partner. In addition to this tax savings, when you report eligible pension income, you are entitled to the pension income credit of up to \$2,000.

SPP annuity payments, shown in Box 016 of your T4A and reported on Line 11500 of your return, qualify for income splitting regardless of your age. It also qualifies towards the \$2,000 pension income amount on line 31400.

For more information on qualifying pension income for income splitting and the pension income amount consult your personal tax advisor or CRA at 1-800-959-8281.

CRA References		
Line 31400	Line 11600	Line 21000
Pension income amount	Elected split-pension amount	Deduction for elected split-pension amount

## Celebrating 35 years

We have not let Covid stop us; we are continuing to provide you with excellent member service. Please share your SPP story to help us celebrate 35 years. Submit it in writing or by video and tell us how SPP has helped you in your life.

Send an email with your written reply or ask for instructions on how to send us your video.



Financial Services Staff  
Shonna, Calla, Cheryl, Kim

## New option for future retirees

In late 2020, SPP launched its VB product for Saskatchewan residents who are not yet receiving a pension from SPP. Members who are already receiving pension payments from SPP are not able to change their option.

A VB is a retirement income option with no maximum withdrawal restriction and the option to withdraw part or all of the balance at any time. VB provides members with control over how much retirement income they wish to withdraw and when to withdraw throughout the year. Members have the

choice of how the money is invested within the Plan: the Balanced Fund (BF) and/or the Diversified Income Fund (DIF). In this way, recipients can continue to receive the low fees and service they are accustomed to while the investment continues to grow on a tax-sheltered basis. VB has many similarities to a Prescribed Registered Retirement Income Fund (PRRIF) offered at other financial institutions.



Carol Lafayette-Boyd  
actyourage.ca

## HELP US HELP YOU

Dealing with an illness or disability can be difficult for you and your family. Plan ahead and discuss the option of granting someone a power of attorney (POA) in case you cannot manage your personal affairs. Then provide a copy of the document to SPP. When the document is in your file, we can discuss your SPP account with your POA.

SPP only accepts an enduring power of attorney and it must be:

- in writing, dated and signed by the grantor
- either witnessed by a lawyer and accompanied by a legal advice and witness certificate, or witnessed by two competent adults, other than the named attorney or a family member of the grantor or attorney, and accompanied by non-lawyer witness certificates.

## WHAT'S ON OUR WEBSITE

We've compiled forms necessary for members or their representatives in one place:

- Direct deposit request form
- Voluntary income tax deduction form
- Designation of beneficiary for refund life annuity
- Change of address
- Short videos about SPP and other key information
- Newsletters
- Access to MySPP to view payment history, account information and view and print T4A/NR4's



SaskPension.com

Publication mail agreement No - 40065736

CALL 1-800-667-7153

FAX 1-306-463-3500

WRITE Box 5555, 608 Main St Kindersley, SK Canada S0L 1S0

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f/SaskatchewanPensionPlan in/company/saskatchewan-pension-plan/

EMAIL info@saskpension.com

TELETYPE 1-888-213-1311

The SPP Benefits Newsletter is issued once a year to provide members with general information about current issues affecting SPP. If any discrepancy arises between the information contained in this newsletter and the Act, the Act will prevail.