

## USING YOUR REGISTERED EDUCATION SAVINGS

**Did you know? Your plan should be for your child or the person named in the plan to start drawing money out of the Registered Educational Savings Plan (RESP) once he/she enrolls in a qualified post-secondary educational program.**

### What to do if the person named in the RESP does not continue education after high school?

- Wait for a period of time and the individual may decide to continue post-secondary studies later.
- Transfer the money to a brother or sister's RESP.
- Transfer the money you invested into your RRSP to help save for your retirement.
- Withdraw the money, but ask how much tax you might have to pay.
- The Canada Learning Bond portion cannot be transferred and must be returned to the Government of Canada.

### Facts

#### Qualified educational programs include:

- Apprenticeships & programs offered by a trade school, CEGEP, college or university.
- Usually a qualified educational program is a course of study that lasts at least three weeks in a row, with at least 10 hours of instruction or work in one week.

#### Part-time studies:

- RESP funds can be used for either full or part time study in a qualified program.

#### Keeping an RESP open:

- An RESP can stay open for a maximum of 26 years.
- There is no age limit for opening an RESP.
- If the recipient has a disability, he/she may keep the plan open for 31 years, five years longer than a regular RESP.

#### How soon can the person(s) names in the plan start using the money?

- The student can start receiving the money from the RESP as soon as he or she is done high school and enrolled in a qualified program.
- To find out more about qualified education programs ask your RESP provider or call the Consumer Financial Agency of Canada at 1-866-461-3222.

### Before closing out an RESP

- ✓ Do not act too quickly.
- ✓ Investigate your options and speak with someone from the company that you purchased the RESP from.
- ✓ Consult your local Independent Living (IL) Centre to ensure that you have considered all your options or to be referred to a qualified financial advisor for a second opinion. To locate an IL Centre near you please go to [www.ilcanada.ca](http://www.ilcanada.ca) or call 1-613-563-2581.

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