

Instructions

Who can use this form?

If you are a DPSP trustee or an RPP administrator, you can use this form to record the direct transfer of a single amount for an applicant.

- As a DPSP trustee, you can make a direct transfer to another DPSP, an RPP, an SPP, an RRSP, or a RRIF.
- As an RPP administrator, you can make a direct transfer to another RPP, an RRSP, or a RRIF.

Note

If you do not use this form to document the transfer, make sure that you, as the transferor, provide the transferee with the information needed to correctly complete the transfer.

Who completes this form?

Area I

The plan member or beneficiary asking for the transfer (the applicant) completes and signs Area I. All copies have to be given to the DPSP trustee or the RPP administrator from which the amount is to be transferred (the transferor).

Area II

The transferor completes and signs Area II. The transferor keeps copy 4, and sends copies 1, 2, and 3 to the DPSP trustee, the RPP administrator, the RRSP issuer, or the RRIF carrier to which the single amount is to be transferred (the transferee), along with the amount being transferred.

Area III

The transferee completes and signs Area III of copies 1, 2, and 3. The transferee keeps copy 3, and returns copy 1 to the transferor and copy 2 to the applicant.

Transfers from a DPSP

As the transferor, you can transfer a single amount for an employee or former employee who participated in the plan as described in subsection 147(19). You can transfer the amount to an RPP for that person's benefit, to an RRSP, or a RRIF under which that person is the annuitant. Also, you can transfer the amount to another DPSP for that person's benefit, **if it can reasonably be expected that the recipient DPSP will have at least five beneficiaries throughout the year in which you make the transfer.**

Similarly, you can transfer a single amount for the current or former spouse or common-law partner of the employee or former employee, if that person is entitled to the amount:

- because the employee or former employee died; or
- because the marriage or common-law partnership with the employee or former employee breaks down. In this case, the transfer has to result from a decree, order, or judgment of a competent tribunal, or from a written separation agreement that relates to a division of property in settlement of rights arising out of, or on the breakdown of, the marriage or common-law partnership.

Do not include the amount that you transfer under subsection 147(19) in the income of the person for whom you made the transfer. Also, that person cannot deduct the amount transferred. Do not issue a T4A slip or a receipt for the amount.

Do not withhold income tax from an amount you transfer under subsection 147(19).

Transfers from an RPP or SPP

As the transferor, you can transfer a single amount for a plan member to another RPP for the member's benefit, or to the member's RRSP or RRIF. You can also transfer your SPP to another SPP, or to an RRSP or RRIF. For the details of such transfers, see section 147.3.

You can transfer a single amount for the member's current or former spouse or common-law partner, if that person is entitled to the amount:

- because the member dies; or
- because the marriage or common-law partnership with the member breaks down. In this case, the transfer has to result from a decree, order, or judgment of a competent tribunal, or from a written separation agreement that relates to a division of property in settlement of rights arising out of, or on the breakdown of, the marriage or common-law partnership.

In certain cases, the rules in section 147.3 limit the amount that you can transfer without tax consequences. If part of an amount transferred does not meet the rules of the subsection under which you transfer, that part is considered to have been paid to the applicant as a pension benefit. In such cases, you have to report that part as the applicant's income on a T4A slip. That part is also considered to have been contributed by the applicant to the RRSP or to the other RPP, whichever applies. An SPP follows the same general rules that apply to transfers from an RRSP but any transfers or withdrawals from the SPP must be reported on a T4A slip. The transferee should give the applicant a receipt for the amount.

Similarly, if you transfer the single amount to a RRIF, the excess part is considered to have been contributed to an RRSP. In such cases, you have to report the excess part as the applicant's income on a T4A slip. The transferee should give the applicant an RRSP receipt for the excess part.

Do not include the amount that you transfer under any of subsections 147.3(1) to (8) in the income of the person for whom you make the transfer. Also, that person cannot deduct the amount transferred. Do not issue a T4A slip or a receipt for the amount.

Do not withhold income tax from the amount you transfer under section 147.3.

Definitions

Annuitant – the person who is entitled to receive payments from an RRSP or a RRIF.

DPSP trustee – a corporation named as a trustee under the plan, that is resident in Canada, and licensed or otherwise authorized under Canadian law to carry on in Canada the business of offering to the public its services as a trustee. A DPSP trustee can also mean a group of at least three individuals who are resident in Canada, and who are named as trustees under the plan.

Individual plan number or individual fund number – the individual account, contract, certificate, or other identifier number that the RRSP issuer, RRIF carrier, or RPP or SPP administrator assigns.

Member – the person who is entitled to receive payments from an RPP or a SPP.

RPP administrator – the person or organization that is responsible for administering the RPP.

RRIF carrier – a person described in subsection 146.3(1), with whom an annuitant has an arrangement that is a RRIF.

RRSP issuer – a person described in subsection 146(1), with whom an annuitant has a contract or arrangement that is an RRSP.

Single amount – an amount that is not part of a series of periodic payments.

Spouse or common-law partner – you can find the definition of these terms in most of the income tax guides or pamphlets we publish.

SPP administrator – the person or organization that is responsible for administering the SPP.

Transferee – the administrator, issuer, or trustee of the plan, or the carrier of the fund to whom the amount is transferred.

Transferor – the administrator or trustee of the plan from whom the amount is transferred.