Data Preparation Guide

Canadian Retirement Calculator — What to Gather Before You Start

This guide walks you through everything you need before using the Canadian Retirement Calculator. Most people can gather it all in about 1 to 2 hours.

Tip: Open the calculator in another browser tab while you work through this guide. That way you can enter numbers as you find them.

All dollar amounts mentioned below are in **Canadian dollars**.

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1. Personal Information

Field	What to Enter	Where to Find It
Current age	Your age today	—
Planned retirement age	When you want to stop working	Your choice (typically 55–70)
Life expectancy	**Age you expect to plan for**	**A reasonable estimate; the default is 95**
Province	Your province of residence	See list below
Employment income	Current annual gross income	Your pay stub or T4
Mode	**Single or couple**	**—**

Province Codes

Select your province of residence from the list:

Code	Province
ON	Ontario
BC	British Columbia
AB	**Alberta**
QC	Quebec
SK	Saskatchewan
MB	**Manitoba**
NS	Nova Scotia
NB	New Brunswick
NL	**Newfoundland and Labrador**
PE	Prince Edward Island

YT	Yukon
NT	**Northwest Territories**
NU	Nunavut

Your province determines provincial tax rates, provincial drug plans, and seniors benefits.

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2. Government Benefits

2a. CPP — Canada Pension Plan

CPP is a monthly retirement pension based on your contributions during your working years.

How to get your estimated CPP amount:

1. Go to My Service Canada Account (MSCA)
2. Log in with your Sign-In Partner (bank) or GCKey
3. Look for your **CPP Statement of Contributions**
4. Find the estimated monthly amount at age 65

This estimate is your **CPP monthly amount** — enter it as a monthly dollar amount.

What if you can't access MSCA? You can estimate your CPP by considering:

- The current maximum at age 65 is **$1,507.65/month** (2026 value)
- Most recipients receive less than the maximum — the average is roughly $750–$800/month
- Your actual amount depends on how many years you contributed and your earnings level

When to start collecting CPP (CPP start age):

You can choose to start CPP between ages 60 and 70. Your choice permanently adjusts your monthly amount:

Start Age	Adjustment	Example on $1,000 base
60	−36%	$640/month
61	−28.8%	$712/month
62	**−21.6%**	**$784/month**
63	−14.4%	$856/month
64	−7.2%	$928/month
65	**0% (baseline)**	**$1,000/month**
66	+8.4%	$1,084/month
67	+16.8%	$1,168/month
68	**+25.2%**	**$1,252/month**
69	+33.6%	$1,336/month
70	+42%	$1,420/month

The reduction is **0.6% per month** before age 65. The increase is **0.7% per month** after age 65. Starting earlier means smaller payments for life; starting later means larger payments for life.

> **Note for couples:** Enter CPP information for both partners separately.

2b. OAS — Old Age Security

OAS is a monthly benefit based on your **years of Canadian residence** after age 18 — it is not based on employment contributions.

Eligibility: You need at least **10 years** of Canadian residence after age 18 to qualify.

How to estimate your OAS amount:

The full OAS amount at age 65 is **$743.05/month** (2026 value). Your actual amount is prorated by your years of Canadian residence:

Formula: `$743.05 × (years of residence ÷ 40)`

Years of Residence	Monthly OAS at 65
10 years (minimum)	$185.76
15 years	$278.64
20 years	**$371.53**
25 years	$464.41
30 years	$557.29
35 years	**$650.17**
40 years (maximum)	$743.05

Enter your **years of Canadian residence after age 18** as a number from 0 to 40.

OAS start age:

You can delay OAS from age 65 up to age 70. For each month you delay, your payment increases by **0.6%** (up to +36% at age 70):

Start Age	Adjustment	Example on full $743.05
65	0%	$743.05/month
66	+7.2%	$796.55/month
67	**+14.4%**	**$850.05/month**
68	+21.6%	$903.55/month
69	+28.8%	$957.05/month
70	**+36%**	**$1,010.55/month**

OAS 10% boost at age 75: Your OAS automatically increases by 10% when you turn 75. You do not need to enter this — the calculator handles it.

OAS clawback (recovery tax): If your net income exceeds $152,062 (under age 75) or $157,923 (age 75+), OAS is partially clawed back at 15 cents per dollar over the threshold. The calculator handles this automatically based on your income projections.

> **Note:** If you have a **custom CPP monthly amount** that represents a custom override (not the MSCA estimate), you can enter it directly. The default OAS base is $743.05 but can also be overridden.

2c. GIS — Guaranteed Income Supplement

Good news: you don't need to enter anything for GIS. The calculator automatically determines your eligibility and calculates the amount.

What you should know:

- GIS is a benefit for low-income seniors (age 65+) who receive OAS
- Maximum amounts (2026 values): $1,109.85/month for a single person; $668.08/month per person if both spouses receive OAS
- GIS is reduced by **50 cents for every dollar** of other income (excluding OAS itself)
- Marital status affects the calculation — the calculator uses your single/couple mode

If your retirement income is projected to be low, the calculator will show GIS amounts automatically.

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3. Account Balances and Savings

Gather your current account statements to fill in these values.

Current Balances

TFSA (Tax-Free Savings Account) — A registered account where investment growth and withdrawals are completely tax-free.

RRSP (Registered Retirement Savings Plan) — A registered account that defers tax: contributions reduce taxable income now, but withdrawals are taxed as income in retirement.

Non-registered — Regular investment or savings accounts with no special tax treatment. Capital gains are taxed when you sell.

FHSA (First Home Savings Account) — Designed for first-time home buyers. In this calculator, only include your FHSA balance if you do **not** plan to use it for a home purchase. Unused FHSA funds must be transferred to an RRSP and eventually a RRIF. For retirement planning purposes, an unused FHSA behaves like an extension of your RRSP.

Field	What It Is	Where to Find It
TFSA balance	Total in all Tax-Free Savings Accounts	Your bank or investment statements
RRSP balance	Total in all Registered Retirement Savings Plans	Your bank, investment firm, or pension statement
		Bank statements

Non-registered (Cash)	**Disposable cash savings only (savings accounts, GICs, money market). Do not include investment assets with capital gains**	
FHSA balance	Unused First Home Savings Account balance (only if you will NOT use it for a home purchase — converts to RRSP)	Your bank statements

Monthly Contributions

Field	What to Enter
TFSA monthly	How much you contribute to your TFSA each month
RRSP monthly	How much you contribute to your RRSP each month
Non-registered monthly	**How much you save to non-registered accounts each month**
FHSA monthly	How much you contribute to your FHSA each month (only if you will NOT use it for a home purchase — converts to RRSP)

Additional Contribution Details

- **Catch-up contributions**: If you plan to make additional one-time or extra contributions (e.g., using unused TFSA room), note those amounts

Investment Return Rate

- The calculator uses a default **5% annual return** on investments
- You can adjust this if your expected return is different (e.g., more conservative at 4% or more aggressive at 6%)

> **2026 TFSA contribution room:** Check the CRA website for the current year's limit. The calculator uses historical TFSA limits built into its data.

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4. Budget Categories — Detailed Breakdown

This is where most people spend the most time. **Take your time here** — accurate budget numbers produce accurate retirement projections.

Key Concepts

The budget is **expense-oriented** — it captures what you spend, not what you earn. Every amount you enter should reflect your actual out-of-pocket cost.

1. **Monthly values**: Enter all amounts as **monthly** costs (not annual)
2. **Today's dollars**: Enter amounts in today's dollars — the calculator automatically adjusts for inflation
3. **Out-of-pocket, including sales tax**: Enter what you actually pay at the register, **including GST/HST/PST**. For example, an item priced at $100 in Ontario (13% HST) costs you $113 at checkout — enter $113.
4. **Comprehensive**: Include every expense you expect — the calculator needs the full picture

> **Think of it this way:** Open your bank and credit card statements. Every charge you see is an expense you should account for. The calculator needs the real, total cost — taxes included — to project accurately.

The Five Budget Categories

The calculator uses five categories. Every dollar you expect to spend should fall into one of them.

Category 1: Everyday Living

This covers your regular day-to-day expenses.

Include:

- Groceries and food
- Dining out, coffee shops, takeout
- Clothing and footwear
- Personal care (haircuts, toiletries)
- Subscriptions (streaming, magazines, apps)
- Phone and internet
- Household supplies and cleaning products
- Entertainment (movies, hobbies, clubs)
- Gifts and charitable donations
- Pet expenses (food, vet, insurance)
- Miscellaneous / pocket money

Typical range: $1,000–$2,000/month per person

Category 2: Healthcare

Out-of-pocket medical and health expenses.

Include:

- Prescription medications
- Dental care (cleanings, fillings, dentures)
- Vision care (glasses, contacts, eye exams)
- Hearing aids and batteries
- Medical equipment and supplies
- Paramedical services (physiotherapy, chiropractor, massage)
- Health insurance premiums (if not covered by employer or province)
- Over-the-counter medications

Note: Provincial drug plan coverage varies significantly. Check your province's plan:

- Ontario: ODBP (Ontario Drug Benefit Program) — covers most prescriptions for those 65+
- Other provinces have similar programs — search "[your province] seniors drug plan"

Typical range: $100–$300/month in early retirement; $300–$600/month in later years

Category 3: Travel

All travel and vacation expenses.

Include:

- Vacations and getaways
- Flights, trains, bus fare for trips
- Hotels and accommodations
- Travel insurance
- Visiting family (in another city)
- Seasonal trips (snowbird winters, cottage trips)
- Cruises and guided tours
- Dining and entertainment while traveling

Tip: Travel spending tends to be highest in the Go-go phase and drops significantly in later phases.

Typical range: $500–$3,000/month depending on lifestyle

Category 4: Transport

Daily transportation costs.

Include:

- Car payment or lease
- Gasoline or EV charging
- Auto insurance
- Maintenance and repairs (oil changes, tires, brakes)
- Vehicle registration and licensing
- Parking
- Public transit passes
- Taxi and rideshare (Uber, Lyft)

Tip for car owners: Include an amortized vehicle replacement cost. For example, if you expect to buy a $30,000 car every 10 years, add $250/month ($30,000 ÷ 120 months) to your transport budget.

Typical range: $200–$1,000/month

Category 5: Housing

Typically the largest expense. Take extra care to be thorough here.

Shelter Costs

Expense	Notes
Mortgage (P+I) or rent	Principal + interest, or monthly rent

Property taxes	Annual amount ÷ 12
Home insurance	**Annual ÷ 12**
Condo / strata fees	If applicable — these often include some utilities

Utilities

Expense	Notes
Electricity	Monthly average
Natural gas / heating	Monthly average
Water and sewer	**Monthly or quarterly ÷ 3**
Internet and TV/cable	Monthly

Maintenance

Expense	Notes
Routine repairs	Rule of thumb: budget 1–2% of home value per year
Landscaping / snow removal	If you hire this out

Major Repairs Fund

Expense	Notes
Roof replacement	20–25 year lifespan — amortize the cost
HVAC system	15–20 year lifespan — amortize the cost
Appliances	**10–15 year lifespan — amortize the cost**

Calculating major repairs: Add up the expected replacement cost for each item, divide by remaining years of life, then divide by 12 for monthly. For example:

- Roof replacement: $15,000 ÷ 20 years = $750/year = $62.50/month
- HVAC replacement: $8,000 ÷ 15 years = $533/year = $44/month

> **Tip — Alternative approach:** Instead of amortizing major repairs into your monthly housing budget, you can use the **One-Time Expenses** section (under the Assumptions tab) to schedule large expenses at specific ages. For example, schedule a $15,000 roof replacement at age 72. This avoids inflating your monthly budget for costs that only happen once.

Worked Example — Housing Budget (Ontario, paid-off home, $500,000 value)

Item	Monthly Amount
Property taxes ($4,800/yr ÷ 12)	$400
Home insurance ($1,800/yr ÷ 12)	$150
Electricity	**$130**
Natural gas / heating	$110

Water and sewer	$60
Internet and TV	**$95**
Routine maintenance (1% of value ÷ 12)	$417
Major repairs fund (roof $62.50 + HVAC $44 + appliances $25)	$132
Total Housing	**$1,494**

> **Remember:** All amounts are out-of-pocket, including sales tax (HST/GST/PST). If your electricity bill includes HST, the amount you enter should include that tax.

Typical range: $1,000–$3,000/month (varies enormously by location and mortgage status)

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5. Budget Phases

The calculator divides retirement into phases because spending changes over time. The default phases are:

Phase 1: Go-go (Active Years) — Ages 65 to 75

You are healthy, active, and spending on experiences.

Category	Default	Typical Pattern
Everyday Living	$1,420	Full spending
Healthcare	$210	Lower — generally healthier
Travel	**$2,250**	**Highest — trips, vacations, visits**
Transport	$805	Full — driving, travel
Housing	$1,590	Full housing costs

Phase 2: Slow-go (Settled Years) — Ages 75 to 85

You are slowing down, spending less on travel and activities.

Category	Default	Typical Pattern
Everyday Living	$1,420	About the same
Healthcare	$295	Rising — more medical needs
Travel	**$1,250**	**Reduced**
Transport	$445	Reduced — less driving
Housing	$1,510	Slightly lower (mortgage may be done)

Phase 3: No-go (Care Years) — Ages 85 to 95

Health needs increase, mobility decreases.

Category	Default	Typical Pattern

Everyday Living	$1,420	About the same
Healthcare	$420	Highest — increased care needs
Travel	**$250**	**Minimal**
Transport	$260	Minimal — may need assistance
Housing	$1,510	May include care costs

Customizing Phases

You can:

- **Rename** phases (e.g., "Early Retirement", "Part-time Work Years")
- **Adjust age ranges** for each phase
- **Add new phases** for specific life stages
- **Modify all budget values** in each phase

The defaults above are starting points. Replace them with your own estimates for the most accurate results.

5a. Budgeting Strategy — What to Think About

Accurate budget estimates are the foundation of a reliable retirement plan. Here is detailed guidance for each category to help you think through your own situation.

Everyday Living: Think About Your Real Spending

This is typically the **largest expense** and the easiest to underestimate.

- **Groceries**: Track your actual spending for 3 months — most people guess 20–30% low. Inflation hits food hard; the calculator uses your inflation rate to project this forward.
- **Utilities**: Hydro, water, gas, internet, phone, cell. These are mostly non-discretionary — they don't drop much in later retirement.
- **Clothing and personal care**: Drops significantly after you stop working (no office wardrobe), but may rise again if mobility aids or incontinence products are needed later.
- **Subscriptions and memberships**: Netflix, gym, clubs, magazines, newspapers. Small individually but adds up to $100–200/month.
- **Pets**: Food, vet bills, medication. Often forgotten in planning but can be $100–300/month.
- **Gifts and charity**: Holiday gifts, grandchildren, donations. Many retirees find this increases.

Planning tip: Use 2–3 budget phases. Early retirement spending is often similar to working years. It tends to drop 10–20% in your late 70s as activity decreases, then rise again in late 80s if paid help is needed.

Healthcare: The Most Under-Budgeted Category

This is the #1 reason retirees run out of money. Most provincial plans (OHIP, RAMQ, etc.) do NOT cover drugs, dental, or vision.

- **Prescription drugs**: If you have a workplace retiree plan, you're partially covered. If not, budget $200–500/month for a couple, especially if either person takes ongoing medications.
- **Dental**: Cleanings, fillings, crowns, dentures. A single crown can be $1,000+. Budget $150–300/month per couple even if nothing is wrong — dental costs are lumpy and unpredictable.
- **Vision**: Eye exams ($100–200), glasses ($300–800), cataract surgery (covered by provincial plans, but premium lenses are not).
- **Hearing**: Hearing aids are $2,000–5,000 per pair, not covered by most provincial plans. Often needed in your 70s–80s.
- **Private insurance premiums**: If you buy individual health insurance in retirement, budget $200–600/month per couple depending on coverage level and age.
- **Mobility aids**: Walkers, wheelchairs, home modifications (grab bars, ramps). Usually needed later in retirement.

Planning tip: Healthcare costs **accelerate with age**. Use budget phases with significantly higher healthcare in later phases (e.g., $300/month at 65–75, $500 at 75–85, $800+ at 85+).

Travel: The Go-Go, Slow-Go, No-Go Pattern

Most retirees **over-estimate** travel spending long-term. The "go-go years" are real but finite.

- **Early retirement (65–75)**: This is when most people travel heavily — snowbird trips, visiting grandchildren, bucket-list destinations. Budget $500–1,500/month if you plan to travel regularly.
- **Mid-retirement (75–85)**: Travel usually drops 40–60%. Longer flights become harder, health may restrict options. Budget $200–500/month.
- **Late retirement (85+)**: Minimal travel for most people. Budget $50–200/month for local outings, family visits.
- **Dining out and entertainment**: Often grouped with travel but is really everyday spending. If you eat out 3x/week, that's $400–600/month alone.
- **Hobbies**: Golf, fishing, gardening, crafting, volunteering. Some are nearly free, others (golf memberships, equipment) can be $200–500/month.

Planning tip: This is the category with the **most phase variation**. Use at least 2–3 budget phases with decreasing travel amounts. Don't plan to spend the same at 80 as at 65.

Transport: The Category Most Likely to Drop

Transport is the category most likely to drop significantly over the course of retirement.

- **Car ownership**: Insurance ($100–200/month), gas ($100–200), maintenance ($50–150), depreciation. One car costs ~$400–700/month; two cars doubles it.
- **Will you still drive at 80+?** Many people stop driving between 80–85. If you sell the car, this drops to near-zero (offset by taxi/rideshare costs).
- **Downsizing from 2 cars to 1**: Common in early retirement. Saves $400–700/month immediately.
- **Public transit**: Many cities offer senior discounts (50%+ off). Often $50–100/month.

- **Winter driving**: If you're a snowbird, you may need a car in both locations, or storage costs for the off-season vehicle.

Planning tip: Use **decreasing transport amounts** in later budget phases. Budget for 2 cars at 65, 1 car at 75, no car at 85 (with some taxi/ride costs).

Housing: Predictable or Uncertain?

Housing is either your **most predictable** or **most uncertain** expense, depending on your situation.

- **Mortgage payoff**: If your mortgage ends before retirement, housing costs can drop $1,000–2,000/month. This is the single biggest retirement windfall most people get.
- **Property taxes**: These **never go away** even after the mortgage is paid. Budget $200–500/month depending on your municipality. They tend to increase with inflation.
- **Condo fees**: If you own a condo, fees typically rise 2–5% per year. Special assessments can add thousands unexpectedly.
- **Maintenance and repairs**: Rule of thumb is **1–2% of home value per year**. On a $500K home, that's $400–800/month. Most people don't budget this.
- **Downsizing**: Many retirees sell the family home and buy something smaller/cheaper. This can free up significant capital, but moving costs, realtor fees ($15,000–30,000), and setup costs eat into the gains.
- **Assisted living / long-term care**: The big unknown. Private assisted living runs $3,000–6,000/month in most provinces. Long-term care homes are subsidized but have wait lists. This is the #1 reason to have a financial plan.

Planning tip: If you own your home, budget for **ongoing maintenance even after the mortgage is gone**. Use separate phases: mortgage payment at 65, no mortgage at 70+, potential downsizing/care at 85+.

Six General Budgeting Principles

1. **Use budget phases** — your spending at 65 is not your spending at 85. The calculator supports multiple phases; use them.
2. **Plan for the "go-go, slow-go, no-go" years** — high spending early, moderate in the middle, potentially high again late (healthcare/care costs).
3. **Don't forget inflation** — at 2.5% inflation, costs double in ~28 years. A $3,000/month budget becomes $6,000/month by the time you're 90. The calculator handles this, but you need to enter amounts in today's dollars.
4. **Include a buffer** — most financial planners recommend planning to spend 80–90% of what you think you'll have. Surprises happen.
5. **Separate one-time from recurring** — a kitchen renovation is not a monthly expense. The calculator handles recurring monthly costs; plan major expenses separately using the One-Time Events feature.
6. **Revisit annually** — your actual spending in the first year of retirement is your best data. Track it and adjust.

5b. Workplace Pensions (DBPP/DCPP)

If you have a workplace pension through your employer, gather the following information from your pension plan statement or HR department.

Defined Benefit Pension Plan (DBPP)

A DBPP guarantees a specific monthly income in retirement, usually based on a formula.

Information to gather:

Field	Where to Find It
Plan name	Your pension statement or employer HR portal
Years of service in plan	Your pension statement (total credited service)
Average salary (3-5 year average)	**Your pension statement or pay stubs**
Accrual rate (e.g., 1.5%-2%)	Your plan booklet or pension statement
Pension start age (earliest unreduced)	Your plan booklet (typically 55-65)
Bridge benefit amount (if any)	**Your pension statement (paid until CPP starts at 65)**
Bridge benefit end age	Usually 65 (when CPP begins)
Annual indexing/COLA rate	Your plan booklet (some plans index to inflation)
Survivor ratio	**Your plan booklet (typically 50%-66.7%)**

Common plans available as presets: Ontario Teachers' (OTPP), OMERS, HOOPP, Federal Public Service, Canada Post/CUPW.

Two modes:

- **Formula mode**: Enter your years of service, average salary, and accrual rate. The calculator computes the annual pension.
- **Manual mode**: If your pension statement already shows the annual amount, enter it directly.

Defined Contribution Pension Plan (DCPP)

A DCPP accumulates contributions from you and your employer into an investment account. At retirement, the balance converts to a Locked-In Retirement Fund (LIF).

Information to gather:

Field	Where to Find It
Plan name	Your pension statement or employer HR portal
Current balance	Your most recent pension statement
Your contribution rate (%)	**Your pay stub or plan enrollment**
Employer contribution rate (%)	Your plan booklet
Employer match limit	Your plan booklet (e.g., match up to 5% of salary)
Estimated annual return (%)	**Your plan's default investment fund return**

Conversion age (when it becomes a LIF)	Your plan booklet (typically 55-65)
Survivor ratio	Your plan booklet

Two modes:

- **Accumulation mode**: Enter balance, contribution rates, and return. The calculator grows the balance and converts to a LIF at the conversion age.
- **Manual mode**: If you know your expected annual pension amount (from a projection statement), enter it directly.

LIF (Locked-In Retirement Fund)

When a DCPP converts to a LIF at retirement, you must withdraw a minimum amount each year (similar to RRIF rules). The minimum is based on your age and province. Some provinces (Quebec, Saskatchewan) also impose maximum withdrawal limits.

Index Rate

Enter an annual index rate (%) if your pension is adjusted for inflation each year. Use 0% if there is no indexing. For CPI-linked plans, use your plan's typical adjustment rate (often around 2%).

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6. Additional Income Sources

If you have income beyond CPP, OAS, and GIS, enter each source separately.

For each source, you will need:

Field	What to Enter	Example
Label	A name for this income	"OMERS Pension", "Rental Income"
Annual amount	Pre-tax annual amount	$24,000
Start age	**When payments begin**	**65**
End age	When payments end	95 (or life expectancy)
Taxable	Whether it's taxable income	Yes / No

Common Income Sources

Employer Pension (Defined Benefit):

- Check your pension statement for the estimated monthly or annual amount at retirement
- Most employer pensions are taxable
- Some have bridging benefits that end at 65 when CPP begins

Annuities:

- Enter the guaranteed annual payment
- Check whether it's taxable (registered annuities are; non-registered depend on structure)

Rental Income:

- Enter net rental income (rent minus expenses like property tax, insurance, maintenance)
- Rental income is taxable

Part-time Work:

- Estimate your expected annual earnings
- Enter the start and end ages you plan to work
- This is taxable income

Inheritance or Lump Sum:

- Use the "Custom Injections" feature (see Section 8) for one-time amounts
- Do not enter as ongoing income

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7. One-Time Events

The calculator supports two types of one-time events:

Custom Injections (Money In)

Lump-sum deposits into a specific account at a specific age.

Examples:

- Inheritance received at age 70
- Sale of a second property at age 72
- Life insurance payout
- RRSP maturity transfer at age 71

For each, enter:

- Label (description)
- Amount
- Account to deposit into (TFSA, RRSP, Non-registered, etc.)
- Age at which it occurs

Custom Expenses (Money Out)

One-time costs at a specific age.

Examples:

- Child's wedding at age 68
- Major home renovation at age 70
- Vehicle purchase at age 73
- Large gift or loan to family member

For each, enter:

- Label (description)
- Amount
- Age at which it occurs

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8. Mortgage and Housing Status

Select your housing situation:

Option	When to Choose
None	No housing costs (living with family, etc.)
Paid off	Own your home outright — no mortgage
Ongoing	**Currently paying mortgage that will continue into retirement**
Downsizing	Plan to sell and buy a less expensive home
With mortgage	Own with an active mortgage

If "Ongoing" or "With mortgage": Enter your monthly mortgage payment and the age at which it will be paid off.

If "Downsizing": Estimate your expected new housing costs for each budget phase.

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9. Assumptions (Brief Overview)

These settings have sensible defaults, but you can adjust them:

Setting	Default	What It Controls
Withdrawal strategy	RRSP-first	Which accounts to draw from first
Withdrawal priority order	Customizable	Order of account drawdown
Inflation rate	**2%**	**Annual cost-of-living increase**
Tax bracket indexing	Enabled	Tax brackets rise with inflation
Pension splitting	Available	Split pension income with spouse to reduce taxes
Safety margin	**Built in**	**Buffer in the simulation for market downturns**

How Withdrawal Sequencing Works

Each simulation year, the calculator processes income in a fixed seven-tier order. The first six tiers are **mandatory** — they flow in automatically based on your start ages and plan rules, whether or not your budget needs them.

1. **CPP** — government pension, taxable (start age 60–70).
2. **OAS** — government benefit, taxable (start age 65–70).
3. **GIS** — automatic for low income, non-taxable.

4. **DBPP** — employer defined-benefit pension, taxable (start age set by plan).
5. **DCPP/LIF** — employer defined-contribution pension, taxable (LIF minimums automatic).
6. **Other pensions and annuities** — custom income sources.
7. **Portfolio accounts** — only drawn if mandatory income does not cover the budget. You set the priority order of: Non-Reg Interest, RRIF, RRSP, Non-Reg Principal, TFSA, Unused FHSA → RRSP.

If mandatory income already exceeds the budget, no portfolio withdrawals occur. The "Withdrawal priority order" setting controls **only** the order of the six portfolio account types in tier 7 — it does not affect tiers 1–6.

Most users can leave these at their defaults. Adjust if you have specific preferences for withdrawal order or want to test different inflation scenarios.

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10. Quick Reference: Where to Find Your Numbers

Data Point	Source
CPP estimate	My Service Canada Account
OAS residence years	Your own records — count years lived in Canada after age 18
TFSA/RRSP balances	**Bank or investment statements**
TFSA/RRSP contribution room	CRA My Account → "TFSA" and "RRSP" sections
Mortgage balance and rate	Your mortgage statement
Property taxes	**Municipal property tax bill**
Home insurance	Insurance policy documents
Vehicle costs	Insurance statement, repair receipts
Healthcare costs	**Benefits statements, pharmacy receipts**
Provincial drug plan	Search "[your province] seniors drug plan"
Employer pension	Your pension plan statement or HR department

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> **Note on dollar amounts:** The following figures are based on 2026 government values and are adjusted periodically. Always verify current amounts at canada.ca.
>
> - CPP maximum: $1,507.65/month
>
> - OAS maximum: $743.05/month
>
> - GIS maximum: $1,109.85/month (single) or $668.08/month (couple)
>
> - OAS clawback threshold: $152,062 (under 75) / $157,923 (75+)

Sources and References

The Canadian Retirement Calculator produces estimates based on legislation, regulations, and published government data. The values used in the calculator are sourced directly from the following official references and are updated as new figures are published. This section allows you to verify the data behind your results.

Federal Legislation and Regulation

- **Income Tax Act** (R.S.C., 1985, c. 1 (5th Supp.)). Government of Canada. Defines federal tax brackets, personal amounts, pension income credits, and RRSP/RRIF rules.

https://laws-lois.justice.gc.ca/eng/acts/I-3.3/

- **Canada Pension Plan Act** (R.S.C., 1985, c. C-8). Government of Canada. Governs CPP contribution rates, benefit calculations, and early/delayed retirement adjustments.

https://laws-lois.justice.gc.ca/eng/acts/C-8/

- **Old Age Security Act** (R.S.C., 1985, c. O-9). Government of Canada. Establishes OAS eligibility (residence-based), benefit amounts, and the recovery tax (clawback) mechanism.

https://laws-lois.justice.gc.ca/eng/acts/O-9/

- **Income Tax Regulations, Schedule VII** — RRIF minimum withdrawal factors. Government of Canada.

https://laws-lois.justice.gc.ca/eng/regulations/C.R.C.,_c._945/page-79.html

Federal Tax and Benefit Data

- Canada Revenue Agency. Canadian income tax rates for individuals — current and previous years. Provides federal tax brackets (15%, 20.5%, 26%, 29%, 33%) and bracket thresholds.

https://www.canada.ca/en/revenue-agency/services/tax/individuals/frequently-asked-questions-individuals/canadian-income-tax-rates-individuals-current-previous-years.html

- Canada Revenue Agency. Line 30000 — Basic personal amount. Provides the Basic Personal Amount ($16,129), age amount credit ($8,839), and pension income amount ($2,000).

https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-30000-35000-credit.html

- Employment and Social Development Canada. Canada Pension Plan. Provides the maximum monthly CPP benefit at age 65 ($1,507.65 for 2026), early retirement reduction (0.6%/month), and delayed retirement increase (0.7%/month).

https://www.canada.ca/en/services/benefits/publicpensions/cpp.html

- Employment and Social Development Canada. Old Age Security pension. Provides the maximum monthly OAS amount ($743.05 at 65, $817.36 at 75+ for Apr–Jun 2026) and eligibility rules (10-year minimum residence).

https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security.html

- Canada Revenue Agency. Old Age Security recovery tax. Provides the OAS clawback thresholds ($152,062 under age 75; $157,923 age 75+) and the 15% recovery rate.

https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security/recovery-tax.html

- Employment and Social Development Canada. Guaranteed Income Supplement. Provides GIS maximum amounts ($1,109.85/month single, $668.08/month per spouse if both receive OAS) and the 50% reduction rate.

https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security/guaranteed-income-supplement.html

- Canada Revenue Agency. Tax-Free Savings Account (TFSA) — Contributions. Provides annual TFSA contribution limits from 2009 to present (2024–2026: $7,000/year).

https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/tax-free-savings-account/contributions.html

- Canada Revenue Agency. Registered Retirement Income Fund (RRIF). Provides the RRIF minimum withdrawal factors by age (e.g., 5.28% at age 71, increasing annually).

https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/registered-retirement-income-fund-rrif.html

Provincial Tax Data

Each province and territory sets its own tax brackets, basic personal amounts, age credits, pension credits, sales tax rates, and seniors benefit programs. The calculator draws from these official sources:

- Ontario: https://www.ontario.ca/page/income-tax
- British Columbia: https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal
- Alberta: https://www.alberta.ca/personal-income-tax.aspx
- Quebec: https://www.revenuquebec.ca/en/citizens/income-tax-return/income-tax-rates/
- Saskatchewan: https://www.saskatchewan.ca/residents/taxes-taxation-and-rebates
- Manitoba: https://www.gov.mb.ca/finance/taxes/index.html
- Nova Scotia: https://novascotia.ca/finance/enhome/taxation/personalincometax/default.asp
- New Brunswick: https://www2.gnb.ca/content/gnb/en/departments/finance/taxes/personal_income_tax.html
- Newfoundland and Labrador: https://www.gov.nl.ca/fin/taxes-programs/personal-income-tax/
- Prince Edward Island: https://www.princeedwardisland.ca/en/taxes-and-rebates
- Yukon: https://yukon.ca/en/taxes-personal-income-tax
- Northwest Territories: https://www.gov.nt.ca/finance/personal-income-tax
- Nunavut: https://www.gov.nu.ca/finance/services/personal-income-tax

Personal Data Retrieval

- **My Service Canada Account (MSCA):** https://www.canada.ca/en/employment-social-development/services/my-account.html — Access your CPP Statement of Contributions for your personalized estimated monthly benefit.
- **CRA My Account:** https://www.canada.ca/en/revenue-agency/services/e-services/e-services-individuals/account-individuals.html — View your TFSA and RRSP contribution room, tax returns, and notice of assessment.

Data Currency

All financial figures in the calculator are current as of April 30, 2026, and are tagged with data version **2026.1**. The complete inventory of every data point, its source, verification date, and the code modules that use it is maintained in the project's internal `DATA_INVENTORY.md` file. Government benefit amounts (OAS, GIS) are updated quarterly by Service Canada; tax brackets and credits are updated annually by the CRA. CPP maximums are updated annually in January.