

QUIZ ANSWER KEY

Retirement & Taxes



MULTIPLE CHOICE

Directions: CIRCLE the best possible answer to each question.

1. Contributions made to RRSPs result in a direct reduction of your taxable income for the year in which the contribution is made.
 - a. True
 - b. False

2. What does TFSA stand for?
 - a. Term-Financed Savings Account
 - b. Tax-Free Savings Account
 - c. Taxation Financial Safety Authority

3. If you think you may be in a higher tax bracket in retirement, you should:
 - a. Prioritize maximizing contributions to RRSPs
 - b. Consider maximizing contributions to TFSAs
 - c. Split your retirement savings equally between RRSPs and TFSAs