

FEBRUARY 2024

AT HOME

COLDWELL BANKER 2M REALTY



5 TAX CHANGES THAT MAY AFFECT YOU IN 2024

1 New Federal Tax Brackets

Amidst a backdrop of sustained high inflation, the federal government has made a positive move by adjusting tax brackets for the 2023 tax year. As a result, taxpayers will pay a reduced amount on a greater portion of their annual income.

→ Up to \$53,359 will be taxed at 15%.

→ \$53,359 - \$106,716 will be taxed at 20.5%.

→ \$106,717 - \$165,430 will be taxed at 26%.

→ \$165,430 - \$235,675 will be taxed at 29%.

→ \$235,675 + will be taxed at 33%.

2 Basic Personal Amount Increase

The basic personal amount (BPA) is the amount of income an individual in Canada can earn without having to pay federal income tax. In 2023, the BPA is **\$15,000**, and it will increase to **\$15,705** in 2024. High income earners will not benefit from the change. Taxpayers in the top bracket will see a BPA indexed to inflation at **\$14,156** for 2024.

3 RRSP Limit Increase

For the 2023 tax year, the contribution limit for Registered Retirement Savings Plans (RRSPs) has been raised to **\$30,780**, marking a \$1,570 increase from the previous year. Your individual RRSP contribution is limited to **18%** of your total income.

4 TFSA Limit Increase

Tax-free savings account contribution limits have increased again, from \$6,500 in 2023 to **\$7,000** in 2024. You can start contributing to a TFSA as soon as you turn 18 years old, and may carry forward any unused room from previous years. That means if you start to contribute to a TFSA for the first time this year, you have \$88,000 of space available.

5 EI Premium Increase

For 2024 the Employment Insurance premium rate has been set to **\$1.66** per \$100 of earnings for workers, an increase of 3 cents, and **\$2.32** per \$100 of earnings for employers, an increase of 5 cents.



TIPS FOR YOUR MORTGAGE RENEWAL

A mortgage renewal presents an opportunity to assess your current mortgage's features and alignment with your financial goals. While your existing provider may send a renewal slip, taking a proactive approach is recommended.

Start Reviewing 4 Months Before Your Term Is Up

Mark your current mortgage term's maturity date on the calendar, then count back 120 days, 4 months, and mark that too; this is the date most lenders will let you start the early mortgage renewal process. An early renewal is generally possible without having to pay a prepayment penalty for breaking your term early. This is an excellent time to start researching your options in terms of mortgage rates, prepayment options and other terms and conditions.

Consider Your Financial Goals

A lot can happen during the term of a mortgage that should be considered when choosing a mortgage rate, term and product. You might have received a raise, a loss of income, or have retired. There might be a baby on the way, or university tuition to pay. If there's any chance you'll need to move in the next 5 years, that should be factored into your decision. Finally, a renewal is an opportunity to access equity in your home.

Maximizing Your Payments

Does your monthly budget have room for you to increase your mortgage payment amount? Increasing the size or frequency of your mortgage payments can help pay down your principal faster, potentially saving thousands of dollars in interest over the course of our mortgage.

[I am happy to refer to you an exceptional mortgage representative](#)



EMAIL TO WIN!

ENTER BY FEBRUARY 15TH

Celebrate the magic of Family Day with an enchanting movie experience!

Enter for a chance to win Cineplex Odeon tickets and snacks for 4!

Entering is easy! Email

chris@chrismcauley.ca

Be sure to follow online for winner announcement!



Chris McAuley - Coldwell Banker 2M Realty



[@cmcollective25](https://www.instagram.com/cmcollective25)



No purchase necessary to enter. Contest closes February 15, 2024 at 10:00AM. Participants who email will be entered into a draw. The winner will be selected at random on February 15, 2024 at 1:00PM and contacted. Prize consists of package for 2 adults and 2 children at Cineplex Odeon. No cash value.

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