



If you have an excess TFSA amount at any time in 2009, use this schedule to determine the total excess TFSA amounts that are subject to the 1% tax on excess TFSA contributions.

Attach a completed Schedule A to Form RC243, *Tax-Free Savings Account (TFSA) Return 2009*.

General information

Excess TFSA amount

You (the individual) have an excess TFSA amount at any time in a year if the total of all TFSA contributions you made in the year up to that time (other than a qualifying transfer or an exempt contribution) exceeds your TFSA contribution room at the beginning of the year plus any qualifying withdrawals made in the year up to that time. If at any time in a month you have an excess TFSA amount, you are liable to a 1% tax on your highest excess TFSA amount in that month.

If at the time of death the holder had an excess TFSA amount, the successor holder is deemed to have made, at the beginning of the month following the date of the holder's death, a contribution to their TFSA equal to the amount, if any, by which the excess TFSA amount exceeds the total fair market value (FMV), at the date of the holder's death, of all property under any arrangements that ceased to be a TFSA because of the holder's death. To the extent that the successor holder does not have sufficient TFSA contribution room to absorb the deemed contribution, the successor holder will be liable to the 1% tax on excess TFSA contributions.

If, at any time during the year, your TFSA contains contributions (other than a qualifying transfer or an exempt contribution) you have made while a non-resident of Canada, you will also be liable to a 1% tax per month on these contributions ending when these contributions are withdrawn in full from the account **and** designated as a withdrawal of non-resident contributions or when you become a resident of Canada, whichever is the earliest event. Complete Schedule B, *Non-resident Contributions to a Tax-Free Savings Account (TFSA)*, to determine the amount of taxes you owe.

For more information on TFSAs, go to www.cra.gc.ca/tfsa, see Guide RC4466, *Tax-Free Savings Account (TFSA)* or contact us at **1-800-959-8281**. Copies of our forms and publications are available on our Web site at www.cra.gc.ca or by calling **1-800-959-2221**.

Definitions

Exempt contribution

An exempt contribution is a contribution that has been designated by the survivor's TFSA in connection with a payment received from the deceased holder's TFSA.

Qualifying transfer

A qualifying transfer is a direct transfer between your TFSAs, or a direct transfer between your TFSA and the TFSA of your current or former spouse or common-law partner if the transfer relates to payments under a decree, order, or judgment of a court, or under a written agreement relating to a division of property in settlement of rights arising from the breakdown of your relationship and you are living separate and apart at the time of the transfer.

Qualifying withdrawal

A qualifying withdrawal is a withdrawal made from your TFSA **after** you contributed an excess TFSA amount. This withdrawal reduces the excess TFSA amount. A qualifying withdrawal cannot be greater than the excess TFSA amount at that time. If the withdrawal made is greater than the excess TFSA amount, you will not be able to use that greater amount in order to reduce future excess TFSA amounts. However, the excess withdrawal amount will be added back to your TFSA contribution room at the beginning of the following year.

Successor holder

A successor holder is a spouse or common-law partner of the holder at the time of death, named by the deceased as the successor holder of the TFSA and who acquires all the rights of the holder under the arrangement including the right to revoke any beneficiary designation, in the provinces or territories that permit TFSA beneficiary designation. The spouse or common-law partner becomes the new account holder.

Survivor

A survivor is an individual who is, immediately before the TFSA holder's death, a spouse or common-law partner of the holder.

TFSA Contribution room

The TFSA contribution room is made up of:

- your applicable TFSA dollar limit (\$5,000 per year plus indexation, if applicable);
- any unused TFSA contribution room in the previous year; and
- any withdrawals made from the TFSA in the previous year, excluding qualifying transfers.

Example

Kayla is 22 years old and a Canadian resident. In 2009, she decides to open a TFSA. She makes the following contributions:

- January 12, \$2,000
- January 20, \$2,500
- January 26, \$300
- February 13, \$1,000

On February 18, Kayla realizes that she has an excess TFSA amount. On that day, she withdraws \$1,000. On February 23, she makes another contribution of \$900.

On March 5, she realizes that she has an excess TFSA amount and withdraws \$400.

As Kayla has excess TFSA amounts in 2009, she must complete Form RC243-SCH-A, *Schedule A – Excess TFSA Amounts*, and enter the total in Section 1 – Part A of Form RC243, *Tax-Free Savings Account (TFSA) Return 2009*. The following example shows how she would complete the schedule. Note that, assuming no further contributions are made in the year, the remaining excess TFSA amount of \$500 from March will carry forward as the highest excess TFSA amount for April, and an excess will continue to be carried forward until the entire amount is withdrawn.

JANUARY

	A	B	C	D	E	F	G	H
Enter the date of each transaction in the boxes below for each month.	Contribution per day.	Withdrawal per day.	Add the amount of the new contribution from Column A to the last amount reported below.	TFSA contribution room at the beginning of the year. Enter this amount on each line for each month in which a transaction has occurred. This amount can be negative or positive.	Excess TFSA amount without considering withdrawals (C – D), if the result is negative, enter "0". If D is negative, the equation becomes the total of (C + D).	Total of previous qualifying withdrawals from column G for dates prior to the current transaction.	Qualifying withdrawal. Enter the lesser of (E – F) and B.	Excess amounts in your TFSA. Enter the result of (E – F – G).
Enter the information at the beginning of the year.				\$5,000	-----	0		-----
12	\$2,000		\$2,000	\$5,000	0	0	0	0
20	\$2,500		\$4,500	\$5,000	0	0	0	0
26	\$300		\$4,800	\$5,000	0	0	0	0
Line 1. Enter the highest amount from Column H in the month of January on line 1 of Section 2.								0

FEBRUARY

Enter the last amount from each column from January			\$4,800	\$5,000	0	0		0
13	\$1,000		\$5,800	\$5,000	\$800	0	0	\$800
18		\$1,000	\$5,800	\$5,000	\$800	0	\$800	0
23	\$900		\$6,700	\$5,000	\$1,700	\$800	0	\$900
Line 2. Enter the highest amount from Column H in the month of February on line 2 of Section 2.								\$900

MARCH

Enter the last amount from each column from February			\$6,700	\$5,000	\$1,700	\$800		\$900
5		\$400	\$6,700	\$5,000	\$1,700	\$800	\$400	\$500
Line 3. Enter the highest amount from Column H in the month of March on line 3 of Section 2.								\$900

Section 1 – Chart to calculate your Excess TFSA Amounts

You must complete this chart to calculate the highest excess TFSA amount for each month. You must complete each month even if you don't have any transactions in a particular month. Attach a separate sheet if you need more space.

Instructions

1. Enter your TFSA contribution room at the beginning of the year under column D in the chart below. For 2009, this amount is \$5,000 if you are 18 years of age or older and a resident of Canada at any time of the year. Report all amounts in Canadian dollars.
2. List all your contributions in column A and your withdrawals in column B from day 1 to the end of the month. Do not include qualifying transfers or exempt contributions.
3. If, on the same day, you made a contribution and a withdrawal, complete a separate line for each transaction.
4. If, at the time of death, a TFSA holder had an excess TFSA amount and you are the successor holder of one of the accounts, you must enter, as a contribution, on the first day of the month following the holder's date of death, an amount by which the excess exceeds the FMV, at the time of death, of the deceased's TFSA arrangements that ceased upon their death to be a TFSA.
5. Complete all columns for each transaction.

JANUARY

	A	B	C	D	E	F	G	H
Enter the date of each transaction in the boxes below for each month.	Contribution per day.	Withdrawal per day.	Add the amount of the new contribution from Column A to the last amount reported below.	TFSA contribution room at the beginning of the year. Enter this amount on each line for each month in which a transaction has occurred. This amount can be negative or positive.	Excess TFSA amount without considering withdrawals (C – D), if the result is negative, enter "0". If D is negative, the equation becomes the total of (C + D).	Total of previous qualifying withdrawals from column G for dates prior to the current transaction.	Qualifying withdrawal. Enter the lesser of (E – F) and B.	Excess amounts in your TFSA. Enter the result of (E – F – G).
Enter the information at the beginning of the year.						0		
Line 1. Enter the highest amount from Column H in the month of January on line 1 of Section 2.								

FEBRUARY

Enter the last amount from each column from January.								
Line 2. Enter the highest amount from Column H in the month of February on line 2 of Section 2.								

MARCH

	A	B	C	D	E	F	G	H
Enter the date of each transaction in the boxes below for each month.	Contribution per day.	Withdrawal per day.	Add the amount of the new contribution from Column A to the last amount reported below.	TFSA contribution room at the beginning of the year. Enter this amount on each line for each month in which a transaction has occurred. This amount can be negative or positive.	Excess TFSA amount without considering withdrawals (C – D), if the result is negative, enter "0". If D is negative, the equation becomes the total of (C + D).	Total of previous qualifying withdrawals from column G for dates prior to the current transaction.	Qualifying withdrawal. Enter the lesser of (E – F) and B.	Excess amounts in your TFSA. Enter the result of (E – F – G).
Enter the last amount from each column from February.								
Line 3. Enter the highest amount from Column H in the month of March on line 3 of Section 2.								

APRIL

Enter the last amount from each column from March.								
Line 4. Enter the highest amount from Column H in the month of April on line 4 of Section 2.								

MAY

Enter the last amount from each column from April.								
Line 5. Enter the highest amount from Column H in the month of May on line 5 of Section 2.								

JUNE

	A	B	C	D	E	F	G	H
Enter the date of each transaction in the boxes below for each month.	Contribution per day.	Withdrawal per day.	Add the amount of the new contribution from Column A to the last amount reported below.	TFSA contribution room at the beginning of the year. Enter this amount on each line for each month in which a transaction has occurred. This amount can be negative or positive.	Excess TFSA amount without considering withdrawals (C – D), if the result is negative, enter "0". If D is negative, the equation becomes the total of (C + D).	Total of previous qualifying withdrawals from column G for dates prior to the current transaction.	Qualifying withdrawal. Enter the lesser of (E – F) and B.	Excess amounts in your TFSA. Enter the result of (E – F – G).
Enter the last amount from each column from May.								
Line 6. Enter the highest amount from Column H in the month of June on line 6 of Section 2.								

JULY

Enter the last amount from each column from June.								
Line 7. Enter the highest amount from Column H in the month of July on line 7 of Section 2.								

AUGUST

Enter the last amount from each column from July.								
Line 8. Enter the highest amount from Column H in the month of August on line 8 of Section 2.								

SEPTEMBER

	A	B	C	D	E	F	G	H
Enter the date of each transaction in the boxes below for each month.	Contribution per day.	Withdrawal per day.	Add the amount of the new contribution from Column A to the last amount reported below.	TFSA contribution room at the beginning of the year. Enter this amount on each line for each month in which a transaction has occurred. This amount can be negative or positive.	Excess TFSA amount without considering withdrawals (C – D), if the result is negative, enter "0". If D is negative, the equation becomes the total of (C + D).	Total of previous qualifying withdrawals from column G for dates prior to the current transaction.	Qualifying withdrawal. Enter the lesser of (E – F) and B.	Excess amounts in your TFSA. Enter the result of (E – F – G).
Enter the last amount from each column from August.								
Line 9. Enter the highest amount from Column H in the month of September on line 9 of Section 2.								

OCTOBER

Enter the last amount from each column from September.								
Line 10. Enter the highest amount from Column H in the month of October on line 10 of Section 2.								

NOVEMBER

Enter the last amount from each column from October.								
Line 11. Enter the highest amount from Column H in the month of November on line 11 of Section 2.								

