MACKENZIE Investments

November 15, 2023

Dealer Relations

First Home Savings Accounts (FHSA) at Mackenzie Investments

Mackenzie is expanding its suite of investment solutions to help Canadian investors meet their long-term financial goals.

In June, we began accepting First Home Savings Accounts (FHSA) for nominee plans, allowing prospective first-time Canadian home buyers to save for their first home, tax-free.

On November 21, 2023, FHSAs will be available for Mackenzie-administered accounts (client name accounts).

Benefits of an FHSA

FHSAs are tax-sheltered savings/investment accounts that allow individuals to contribute up to $8,000 per year toward the purchase of a qualifying home, up to a lifetime maximum of $40,000.

- Like a Registered Retirement Savings Plan (RRSP), contributions may be deducted from taxable income.
- Like a Tax-Free Savings Account (TFSA), contributions and any investment returns can be withdrawn tax-free, when making a qualified withdrawal to purchase a home.
- Unused annual contribution room can be carried forward one year. The maximum amount that can be contributed for one year is $16,000.
- FHSAs also complement the Home Buyers' Plan (HBP), which can provide individuals with an additional $35,000 for a qualifying first home purchase.

Account and fund eligibility

To open an FHSA, an individual must be:

- A Canadian resident;
- Between the ages of 18 (or the age of majority in the province/territory where they live) and 71, with a valid social insurance number (SIN); and
- A first-time home buyer, which means they have not lived in a home owned by them or their spouse or common-law partner in the year the FHSA is opened and the previous four calendar years.

All Mackenzie mutual funds and series are eligible, except for Mackenzie Northleaf Private Infrastructure Fund, Mackenzie Northleaf Global Private Equity Fund, and all USD funds. Mackenzie ETFs are also not eligible to be held in client name accounts.

Opening an FHSA

- Accounts can be opened via wire order using the applicable account type.
- Applications will be available on the Mackenzie Investments website as of November 21.

Transferring to an FHSA

- Investors can transfer funds from their RRSP to their FHSA on a tax-free basis. These transfers are subject to FHSA annual and lifetime contribution limits. Such transfers are not deductible from income. The transfer of property from an investor's RRSPs to their FHSAs will not restore unused RRSP deduction room.
- Mackenzie's Registered Transfer Authorization Form (TARI) will be updated to include FHSA as of November 21.

Additional information and support

The new application and updated TARI form will be available in the Applications & Forms section of the Mackenzie Investments website.

Additional information can be found in the FD file, available with an effective date of November 21.

If you have questions or need any additional information about FHSAs at Mackenzie, please contact your Dealer Relations Account Manager directly or send an email to drelations@mackenzieinvestments.com.

Thank you for your continued support of Mackenzie Investments.

The Dealer Relations Team

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