



People • Partnerships • Knowledge

Canada Learning Bond

# GET \$500 FOR YOUR CHILD'S EDUCATION AFTER HIGH SCHOOL



The **Canada Learning Bond (CLB)** is a \$500 grant from the Government of Canada to help you start saving early for your child's education after high school.

This money can be used to pay for full-time or part-time studies in an apprenticeship program, trade school, CEGEP, college, or university.

## WHO CAN GET THE CANADA LEARNING BOND?

To help you save for your child's education after high school, your child can get the **\$500 Canada Learning Bond plus an additional \$100 per year up to age 15:**

If your child was born after December 31, 2003,

**AND**

If you get the National Child Benefit Supplement as part of the Canada Child Tax Benefit (commonly known as "family allowance"). This usually applies to families whose net income is \$37,885 or less.



Income amount shown is for 2008. The family net income amount is updated each year.

Your child may also get an extra \$100 per year up to age 15, as long as you continue to receive the National Child Benefit Supplement.

Over time, the Canada Learning Bond could add **up to \$2,000** in grant money (plus interest) for your child's education after high school.

## HOW DO I GET THE CANADA LEARNING BOND?

### In 2 easy steps:

- 1) Get a Social Insurance Number (SIN) for your child—even a baby can get one! There is no fee to get one, however, certain documents, such as a birth certificate, are required. Contact **1 800 O-Canada** for more information or visit a Service Canada Centre near you.
- 2) Open a Registered Education Savings Plan (RESP) account. You can open an RESP account through a financial institution, such as a bank or credit union, or through a certified financial planner or a group plan dealer.



The Canada Learning Bond will be deposited directly into your child's RESP.

## WHAT IS A REGISTERED EDUCATION SAVINGS PLAN?

An RESP is a special savings account registered with the Government of Canada to help you, your family or friends save early for your child's education after high school.

The money in the RESP will be invested so it can grow and earn interest.

You will not be taxed on the interest, and your child can usually withdraw the money tax-free.

Be sure to shop around to find an RESP provider that best suits your needs.

## IS THERE A FEE TO OPEN AN RESP?

At some financial institutions, you can open an RESP account for free; others have fees.

The first Canada Learning Bond payment includes an additional \$25 to help cover any costs of opening the RESP account. Be sure to shop around to find an RESP provider that best meets your needs.

## DO I HAVE TO PUT MONEY INTO THE RESP TO GET THE LEARNING BOND?

**No.** Even if you don't put any of your own money into the RESP right now, the Government of Canada will still deposit the \$500 Canada Learning Bond into the RESP account that you opened.

You, your family or friends can also put money in your child's RESP. You can contribute as little or as much as you want, whenever you want.

Any money that you, your family or friends put in the RESP is also eligible for the **Canada Education Savings Grant**. The Canada Education Savings Grant could add up to \$200 on the first \$500 you save annually, and up to \$400 on the next \$2,000.

Even savings of \$5 a week can make a difference, especially when the Canada Education Savings Grant is added. That money will also earn interest over time.

The sooner you start to save, the more your savings will grow.

### **WILL I BE TAXED ON THE MONEY THE GOVERNMENT OF CANADA PUTS INTO MY CHILD'S RESP?**

**No.** You will not be taxed on money that the Government of Canada adds to your child's RESP.



5

### **WILL THE GRANT MONEY AFFECT OTHER GOVERNMENT OF CANADA BENEFITS I RECEIVE?**

**No.** The Canada Learning Bond and the Canada Education Savings Grant will not affect your other Government of Canada benefits.

### **WHAT HAPPENS IF MY CHILD DOESN'T CONTINUE EDUCATION AFTER HIGH SCHOOL?**

The **RESP can stay open for up to 36 years**. If your child does not continue education right after high school, the money can be used if your child returns to school later.

If the money is not used 36 years after the RESP is opened, **the amount you saved goes back to you**, and the Canada Education Savings Grant may be used for a brother or sister's education. If not, it will be returned to the Government of Canada. The Canada Learning Bond is returned to the Government of Canada.

Your money can also be withdrawn at any time. Ask your RESP provider for details.

6

### **HOW DO I GET HELP OR MORE INFORMATION?**

- Call toll-free at **1 800 O-Canada (1-800-622-6232)** for more information and brochures on the **Canada Education Savings Grant** and **RESP**.
- Visit a **Service Canada Centre** near you.
- For more information or for a list of RESP providers, visit **CanLearn.ca**.
- If you use a TTY, call **1-800-926-9105**.

This document is available on demand in alternative formats such as Large Print, Braille, Audio Cassette, CD, DAISY, and Computer Diskette. Call **1 800 O-Canada (1-800-622-6232)** to request your copy.

Also available in other languages at **CanLearn.ca**.



7

You can order additional printed copies of this publication by indicating the number **LC-010-08-08** from:

#### **Publications Services Human Resources and Social Development Canada**

140 Promenade du Portage  
Place du Portage, Phase IV, 12th Floor  
Gatineau, Quebec  
K1A 0J9

Fax: **819-953-7260**

E-mail: **publications@hrsdc-rhdsc.gc.ca**

Cover page and page 5 images by Burch  
Photographics.

© Her Majesty the Queen in Right of  
Canada 2008

Cat. No: HS28-19/2008

ISBN: 978-0-662-05876-2

Printed in Canada