The Canadian Money Starter Kit

Where to start, in the right order.

Welcome, you're in the right place. Canadian money comes with confusing names (TFSA, RRSP, FHSA). Each one is just a box with its own tax rule. This kit shows you what to do first, which box fits your life, and what can wait. No jargon, no judgment.

Your first 5 moves *(in order; stop wherever you are today)*

1. ☐ **See where you stand.** Sign in to your CRA My Account. It shows how much room you have in your tax-free boxes. (New to Canada? Get your Social Insurance Number first. See Side 2.)

2. ☐ **Build a cushion.** Open a savings account just for surprises and set up an automatic transfer on payday. The long-term goal is 3 to 6 months of basic living costs. Start small, because a little every payday beats a big plan you never begin. Choose a bank that's a CDIC member. Your deposits are insured up to **$100,000** per category, and your savings, TFSA and RRSP each count separately.

3. ☐ **Deal with expensive debt.** Most credit cards charge around **20%** interest a year, far more than a savings account pays you. Paying a card down is a sure thing.

4. ☐ **Take any free money.** If your employer adds money when you save in a workplace retirement plan, contribute enough to get the full match.

5. ☐ **Pick your box.** Flip the page. Saving for a first home? Start with the FHSA. Want flexibility? The TFSA. Earning more and saving for retirement? The RRSP.



The mix-up almost everyone makes: a TFSA, FHSA or RRSP is the box, not what goes inside it. Inside you can keep plain savings or investments. Money you'll need soon usually stays in savings. Money you won't touch for a long time is where investing usually comes in. We'll walk through it on YouTube.

Three boxes, side by side *(TFSA / FHSA / RRSP)*

	TFSA	FHSA	RRSP
Best for	Flexible savings: a rainy day, a big purchase, or long-term growth	Your first home	Retirement
Who can open	18+ and living in Canada	18+, living in Canada, and you haven't owned a home you lived in this year or the past 4	Anyone with earned income who has filed a tax return
How much per year	**$7,000** for 2026	**$8,000** a year, **$40,000** for life	**18%** of last year's income, up to **$33,810** for 2026
Unused room	Carries forward. It builds up even before you open one: **$109,000** total if you've been eligible since 2009	Carries forward, up to **$8,000**. It only starts building once you open one	Carries forward
Tax break	None going in. Growth and withdrawals are tax-free	Lowers your tax going in, and withdrawals for a first home are tax-free	Lowers your tax going in, and you pay tax when you take it out
Taking money out	Any time, for any reason. The room comes back the next January 1	Not buying a home? You can move it to your RRSP	Taxed as income. Exception: first-time buyers can borrow up to **$60,000** from their RRSP for a home

Two things worth knowing:

- ✓ **Buying a home?** You can use your FHSA and the RRSP Home Buyers' Plan for the same home.
- ✓ **Careful with the TFSA.** Putting back money you just took out can push you past your room. The extra costs **1%** a month until you fix it.

Mark your calendar: March 1, 2027 is the last day to add to your RRSP and count it on your 2026 taxes.

New to Canada? *Four extras:*

- **Get your Social Insurance Number first.** You'll need it to work, bank and file taxes.
- **You don't have to file taxes to start receiving benefits in your first year.** You do need to file to keep getting them after that, even with no income.
- **Your credit history from home doesn't travel with you.** A starter or secured credit card, paid on time, is a common way to begin building one.
- **Your room starts counting right away.** TFSA room starts the year you become a resident. RRSP room starts once you've earned income and filed your first return.

Have kids? Look into an RESP. The government adds **20%** on the first **$2,500** you put in each year, up to **$500** a year and **$7,200** per child.

✓ *Your only homework: pick one move from Side 1 and do it this week.*

