

Taking Your CPP Early or Late?



Collecting your Canada Pension Plan.

How do you make sure you're getting the most out of CPP?

It all comes down to timing.

60 — **70**

You can start your CPP payments between the ages of 60 and 70.

FACTORS TO CONSIDER



INCOME NEEDS
Enjoy life while you are younger & healthier



TAXES
CPP is considered taxable income



LONGEVITY
The longer your retirement, the more income you will need



INCOME SOURCES
Consider income sources now and in retirement

Considerations to determine the best time for you

CONSIDER TAKING EARLY CPP IF:



You retired early



Taking CPP later would trigger an OAS clawback



A cash flow gap exists

CPP payments DECREASE by 7.2% for each year before age 65

CONSIDER TAKING CPP AT AGE 65 IF:



You worked until age 65



Your employer pension is bridged to government benefits



Delaying payments would create a cash flow gap

CONSIDER TAKING LATE CPP IF:



You are employed after age 65



You have adequate income sources to draw from



You are healthy

CPP payments INCREASE by 8.4% for each year after age 65

SAMPLE ANNUAL CPP PAYOUTS BY AGE*

Age	60	61	62	63	64	65	66	67	68	69	70
Annual Payout	\$9,628	\$10,711	\$11,794	\$12,877	\$13,960	\$15,043	\$16,307	\$17,570	\$18,834	\$20,097	\$21,361

* Source: <https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-benefit/when-start.html> Based on January 2022 CPP retirement max of \$15,043.

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