



PENSION PLAN

# Employers:

# Age 71

# Employees

Must convert their pension funds into a retirement income by the end of this year.



## What to know

- If your age 71 employees are still working, according to the *Income Tax Act (Canada)*, your employees must do something with their funds before the end of the year they turn 71.
- Contributions for your age 71 employees must stop completely on their last full pay period in November.
- Any contributions received after their last full pay period in November will need to be reversed as CSS cannot accept them.

### Does an employee turning 71 need to stop working?

The short answer is **no**, they can continue to work but they can no longer contribute to the CSS Pension Plan.

## What to do

- 1 Advise your age 71 employees that their contributions must stop on their last full pay period in November.
- 2 Prepare and forward an **Employee Termination Notice (ETN)** to CSS when you are processing the November payroll with pension contributions.
  - Check Age 71
- 3 Stop employees' pension contributions in your payroll system.