

Employer **Bulletin**

from the Pension Corporation

To: College Pension Plan employers, unions and associations

Date: August 1, 2007

Topic: College Pension Plan reporting requirements for high-income earners

Direction: Your employees who are members of the College Pension Plan may be affected by the 2007 maximum deductible pension contribution limit. This limit is set by Canada Revenue Agency under the federal *Income Tax Act* and its regulations [8503(4)].

For the 2007 tax year, the maximum deductible pension contribution for income tax purposes is **\$14,580**. Plan members can only claim a tax deduction for pension plan contributions up to this amount, even if the amount actually deducted and contributed to the pension plan under its rules is higher.

The pension plan rules require members to contribute to the plan based on all of their pensionable salary, and require the pension plan to provide a benefit based on all of the member's pensionable salary and service. This means that you are required to deduct, remit and report contributions on all pensionable salary, but you are required only to report up to the maximum deductible contribution amount of \$14,580 on the member's 2007 T4 slip.

The maximum deductible contribution amount may change from year to year. To advise you of any new maximum amount, we will post a bulletin in the employer section of the College Pension Plan website at **college.pensionsbc.ca**.

If you require clarification, please contact us at the numbers and addresses on the reverse.

Over...

Contact Information

Employer Services

Mailing address:

Employer Services
PO Box 9460
Victoria BC V8W 9V8

Phone:

Victoria 250 356-9701
Toll-free
in North America 1 800 663-8823

Fax:

250 356-1784

E-mail:

employer.services@pensionsbc.ca

Web:

college.pensionsbc.ca

PENSION CORPORATION



This publication provides general information about the pension plan and is based on the relevant plan documents (statutes, regulations and rules). If there is a discrepancy between this publication and the plan documents, the plan documents will apply.