The IPP Readiness Checklist

The 10 things to pull together before you talk to your CPA, an actuary — or us. Fifteen minutes of gathering makes every later conversation twice as fast.

An Individual Pension Plan (IPP) is a defined-benefit pension your corporation sponsors for you — with contribution room calculated from your **age** and your **T4 salary history**, not a flat cap. Whether it fits you comes down to ten facts. Most are already sitting in your CRA account and your last set of financial statements.

PULL THESE TOGETHER

- [ ] **1 Your age — and your spouse's, if they're on payroll**
  The entire contribution curve is calculated from it. Past 40, IPP room typically passes the RRSP cap and keeps climbing. *A spouse earning T4 salary can sometimes join the plan.*
- [ ] **2 Your incorporation year**
  Past-service recognition can reach back to it (post-1990 service) — often the single biggest number in the analysis.
- [ ] **3 Your T4 salary history, year by year**
  Rough figures are fine to start. *CRA My Account → tax slips shows every T4 you've ever filed.* Pensionable earnings drive everything.
- [ ] **4 Your current compensation mix — salary vs. dividends**
  Dividends create no IPP room. If you're dividend-only, the first question is whether switching is worth it — a real analysis your CPA runs point on.
- [ ] **5 Your latest Notice of Assessment + RRSP balances**
  Past-service funding starts with a "qualifying transfer" of existing RRSP assets into the plan. Your unused RRSP room matters too.
- [ ] **6 Your corporation's latest financial statements**
  Retained earnings and cash position — contributions come from corporate cash, and stable profitability is the fit profile.
- [ ] **7 Last year's corporate passive investment income**
  Near or over $50,000? The small-business-deduction grind conversation belongs in the same meeting — IPP assets sit outside that calculation.
- [ ] **8 Your ownership percentage**
  10%+ makes you a "connected person" — CRA maximum-funding rules apply, and your actuary works inside them.
- [ ] **9 Your exit horizon**
  Selling or winding down in 5–10 years? Terminal funding — often the plan's biggest single contribution — gets planned around that date.
- [ ] **10 Your CPA's name and your fiscal year-end**
  The IPP decision is coordinated *with* your accountant, never around them. Filing looks back; planning looks forward.

The 30-Second Self-Test

Worth running the math if:
you're roughly 40+ · you've paid yourself T4 salary for years · the corporation is reliably profitable with retained earnings.

Probably overkill (for now) if:
you're under 40 · you're dividend-only and plan to stay that way · you need every corporate dollar liquid. An IPP is locked-in — that's the deal.

What Happens Next

①
Bring this list to your session
Even half-completed. Age + incorporation year + rough salary history is enough to start.

②
We talk it through, live
30 minutes: your five inputs, and a straight read on whether there's room above your RRSP cap worth pricing.

③
The right next room
An introduction to an actuary to price the plan, or to a CPA partner if compensation mix comes first — or "stick with your RRSP," if that's the honest read.