

Accessing the Canadian Pension Plan (CPP) Retirement Pension

This fact sheet explains the law in general. It is not intended as legal advice for your particular problem. Because each person's situation is different, you may need to seek legal advice. The information in this fact sheet was reviewed by a lawyer, and was last updated on 1 December 2020.

The CPP allows you to have a basic income after you reach an old age or if you are no longer able to work because of retirement, disability, or death. You need to meet the eligibility requirements to receive the pension. This fact sheet will explain the CPP Retirement Pension, eligibility for it, and how to apply.

What is the CPP Retirement Pension?

The CPP Retirement Pension is a benefit you can receive after you retire to replace part of your income. It is paid to you once a month.

For more information, you can contact the Canada Pension Plan inside Canada at 1-800-277-9914 or outside Canada at 1-613-957-1954. You can also visit the Government of Canada website at <https://www.canada.ca/en/services/benefits/publicpensions/cpp.html>.

Am I eligible for the CPP retirement pension?

To be eligible, you must:

- Be at least 60 years old; and
- Have contributed to the CPP at least once through salary deductions from work in Canada.

Did I contribute to the CPP?

If you had a contract with your employer to work in Canada, and you are between the ages of 18 and 65, your employer was required to deduct CPP contributions from your paycheques. For each of your paycheques, your employer also contributes the same amount as you do to your CPP.

Each year, after you earn a minimum of \$3,500, your contributions to the CPP will start.

You do not contribute if any of the following applies to you:

- You are receiving a CPP disability benefit;
- You are not earning anything, or
- You earn less than \$3,500 in that year. If you did not earn at least \$3,500, any CPP deductions from your paycheque will be returned to you in your tax return.

No matter how often you change jobs, where in Canada you are working, or how many years you have worked, your contributions make you eligible to receive the CCP benefits. Your pension amount is based on the amount of your earnings and contributions.

You can view the contributions you have made through an online My Service Canada Account, which you can register for or sign in to here: <https://www.canada.ca/en/employment-social-development/services/my-account.html>. Your account also shows you an estimate of what your pension payments will be. You will need your Social Insurance Number (SIN) to create an account and to apply for any CPP benefits.

When can I apply?

The standard age to start receiving your pension is 65. You can start receiving it when you are 60, but the amount that you receive each month will be smaller. You may also wait until you are 70 to start receiving your pension.

Here is how your start time affects your pension amount:

- If you start BEFORE you are 65, the amount you receive will decrease by 0.6% each month. The maximum total reduction allowed is 36%, which is what you get if you start at age 60.
- If you start AFTER you are 65, the payments will increase by 0.7% for each month. The maximum total increase allowed is 42%, which is what you get if you start at age 70.
- If you apply for your pension after you turn 65, you can get retroactive payments for up to 11 months.

Receiving your pension is not automatic. You must apply. You should apply before you would like your pension to start. It can take 120 days for your application to be processed. When you apply, you will have the option to choose when to start receiving your pension. The starting date can be either:

- As soon as you qualify;
- The month after your 65th birthday; or
- At a specific date that you choose.

How do I apply?

In order to apply, you need to complete the application form ISP-1000. You can find the application form, and an information sheet with more information to help you fill it out, here: <https://catalogue.servicecanada.gc.ca/content/EForms/en/Detail.html?Form=ISP1000>.

If you are living inside Canada at the time of your application, you can submit the completed application form online through your My Service Canada Account or you can return the form in person or by mail to your nearest Service Canada office. You can find the office by entering your address here: <http://www.servicecanada.gc.ca/tbsc-fsco/sc-hme.jsp?lang=eng>.

If you are living outside of Canada at the time of your application, you will need to return the completed application form by mail to the designated Service Canada office in the province where you most recently lived in. In BC, this address is:

Service Canada
PO Box 1177 Station CSC
Victoria BC V8W 2V2
CANADA

How do I fill out the application form?

Section 1 of the application form asks you for your SIN. Your SIN does not need to be valid at the time that you apply.

Sections 2-8 ask you for basic biographical information like your full name, date and place of birth, preferred language for correspondence, current marital status, and your home and mailing address.

Section 9 asks for your banking information for direct deposit. Enter the information directly on the form if you have a Canadian bank account that is in your name. If you do not provide direct deposit information, you will receive cheques by mail for your pension payments. It is important to keep your mailing address where you would like the cheques sent up-to-date.

If you have a bank account outside of Canada where you would like your pension payments directly deposited, you can call the CPP at 1-613-957-1954 for assistance. You can also find a foreign direct deposit enrolment form here: <https://www.tpsgc-pwgsc.gc.ca/recgen/form/etranger-abroad-frm-eng.html>. The form asks for your name, address, SIN, and for you to check the box beside 'CPP' to indicate which benefit you will receive by direct deposit. Then it asks for your bank account information. If you need assistance with the form, on the last page you can contact the phone number that is listed for the country that your bank account is located in. When the form is complete, mail it to:

Receiver General for Canada
PO Box 5000
Matane, QC G4W 4R6
CANADA

Section 10 of the application form asks you to choose when you want your pension to start.

Section 11 is only for workers who took time off from work or worked less to look after their young children who were in Canada.

Section 12 should only be filled out by those living in Canada at the time of applying. It asks if you would like federal income tax deducted from your monthly pension payment.

Section 13 should be left blank unless you have a spouse who is at least 60 years old with a Canadian SIN. It asks if you would like to share your pension with your spouse.

Section 14 asks you to list your history of living or working in any country other than Canada, along with your SIN in that country. This question is used to determine if you could also qualify for benefits from another country. If you have lived or worked in more than one other country, you can attach a separate paper with this information to the completed application form.

What happens after I apply?

If you qualify, you will receive the CPP retirement pension for the rest of your life.

The CPP retirement pension is taxable because it is considered to be income. If you are receiving CPP benefits and you are a resident of Canada, you must file your income taxes every year. If you are receiving your pension outside of Canada, a non-resident tax will automatically be deducted from your payments, so you do not need to file Canadian income taxes.

You can still work while you are receiving your CPP pension without reducing the amount you receive.

If you disagree with a decision on your application, you can request a reconsideration of the decision.

If you die, someone needs to contact CPP to cancel your benefits. It is important that a family member or someone you trust knows how to access your SIN to cancel your benefits. After your death, your spouse may be eligible to receive the death benefit or the survivor's pension. You can find more information at <https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-death-benefit.html> and <https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-survivor-pension.html>.