



Employee Contributions to a United States Retirement Plan – Cross-Border Commuters

Complete this form if you are a Canadian resident who commutes or otherwise travels to the United States (U.S.) to perform employment services, and you are a member of a qualifying retirement plan of your employer in the U.S. A 401(k) arrangement is among the qualifying U.S. retirement plans. For a complete list of qualifying U.S. retirement plans, go to canada.ca/cra-annex-b-convention-canada-usa (paragraph 10(b)).

Note

If you are temporarily working in Canada and you continue to participate in a qualifying retirement plan offered by your employer in the U.S., see Form RC267, Employee Contributions to a United States Retirement Plan – Temporary Assignments.

You can deduct your contributions to your U.S. retirement plan on your Canadian income tax and benefit return if **all** of the following conditions are met:

- the remuneration you received for the services you performed as an employee in the U.S. is taxable in the U.S.
- your employer is a resident of the U.S. or has a permanent establishment in the U.S.
- the contributions are attributable to the services you performed as an employee in the U.S., for which you received U.S. taxable remuneration, and are made during the period you performed those services

The amount you can deduct can be no more than the amount of tax relief available in the U.S., and no more than your registered retirement savings plan (RRSP) deduction room remaining after you deduct any RRSP contributions for the year.

Do not attach any statements of your contributions to your paper return, but keep them in case the Canada Revenue Agency ask to see them.

Report all amounts in Canadian dollars. For information about exchange rates, see "Report foreign income and other foreign amounts" in Step 2 of the Income Tax and Benefit Guide for Non-Residents and Deemed Residents of Canada.

Calculating your deduction

Amount of your 2021 contributions to the U.S. retirement plan			1
Amount of contributions that would qualify for tax relief in the U.S. if you were a resident of the U.S. and performed your services in the U.S.			2
Enter whichever is less: amount from line 1 or line 2.	51205		3
2021 RRSP deduction limit			4
Amount from line 18 of Schedule 7	–		5
Line 4 minus line 5	=		6
Enter whichever is less: amount from line 3 or line 6.			
Add this amount to the amount on line 20700 of your return.			7

Prescribed amount

An adjustment is required given that you accrued benefits in one of your employer's U.S. retirement plans in 2021. This prescribed amount will reduce your 2022 RRSP deduction limit.

Calculate your **2021** prescribed amount as follows:

Money purchase limit for 2021	29,210	00	1
Complete line 2, line 3, or lines 4 to 6, depending on your plan.			
If you participated only in a money purchase plan:			
Amount of employer contributions made on your behalf for 2021			2
If you participated only in a defined benefit plan:			
Your resident compensation for 2021 (1)		$\times 10\% =$	3
If you participated in a combination money purchase and defined benefit plan (or in separate money purchase and defined benefit plans):			
Amount of employer contributions made on your behalf for 2021 under money purchase provisions			4
Your resident compensation for 2021 (1)		$\times 10\% =$	5
Enter whichever is more: amount from line 4 or line 5.		▶	6
Enter whichever is less: the amount from line 1 or, as applicable, the amount from line 2, line 3, or line 6.			
Add this amount to the amount on line 20600 of your return.		51230	7

(1) Your **resident compensation** for 2021 is the total of your salaries, wages, and other amounts from your employment with the employer in question.

See the privacy notice on your return.