



Employee Contributions to a United States Retirement Plan – Temporary Assignments

Complete this form if you are temporarily working in Canada and you continue to participate in a qualifying retirement plan offered by your employer in the United States (U.S.).

You may be able to claim a deduction for the contributions you made to the U.S. plan on your Canadian income tax and benefit return. 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)).

Notes

If you are a Canadian resident who commutes or otherwise travels to the U.S. to perform employment services, and you are a member of a qualifying retirement plan of your employer in the U.S., see Form RC268, Employee Contributions to a United States Retirement Plan – Cross-Border Commuters.

If you contributed to an employer-sponsored pension plan or to a social security arrangement in a country other than the U.S., see Form RC269, Employee Contributions to a Foreign Pension Plan or Social Security Arrangement – Non-United States Plans or Arrangements.

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 Canada is taxable in Canada
- just before you began performing services in Canada, you were participating in the U.S. plan and you were not a resident of Canada
- the contributions are attributable to employment services you performed in Canada and were made during the period you performed the services
- you are not accruing benefits in, or contributing to, a registered pension plan, deferred profit-sharing plan, registered retirement savings plan (RRSP), specified pension plan, or pooled registered pension plan in Canada for the period you performed the services
- you have not performed services in Canada for the same employer (or a related employer) for more than 60 of the 120 months preceding 2021

Do not attach any statements of your contributions to your paper return, but keep them in case the Canada Revenue Agency (CRA) asks 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.				
Add this amount to the amount on line 20700 of your return.			51204	3

Pension adjustment

If you receive a T4 slip, your employer will have to calculate and report a pension adjustment (PA) to the CRA. Enter on line 20600 of your return the total of all amounts shown in box 52 of your T4 slips. The PA will reduce your RRSP contribution room for 2022.

If you do not receive a T4 slip showing your PA, calculate and report it as follows:

Your resident compensation of 2021 (1)				51220		4
Rate	x	18%				5
Line 4 multiplied by the percentage on line 5	=					6
Money purchase limit of 2021					29,210 00	7
Enter whichever is less : amount from line 6 or line 7.						
Add this amount to the amount on line 20600 of your return.				51230		8

(1) Your **resident compensation** for 2021 is the total of your salaries, wages, and other amounts from your employment with the employer in question, excluding amounts that are exempt from income tax in Canada according to the Canada-U.S. tax convention.

See the privacy notice on your return.