

# Tax Tip

## Workers aged 60 and over—make sure you are clear on CPP contribution rules

### Did you know?

Are you 60 to 70 years of age and did you return to work in 2013 after being away from the workforce? You may not know about changes to Canada Pension Plan (CPP) contributions that came into effect in January 2012. The changes affect employees and self-employed workers aged 60 to 70 (but not those working in Quebec).

### Overview of the changes

- All workers **aged 60 to 65** have to make CPP contributions—even if they are receiving a CPP or Quebec Pension Plan (QPP) retirement pension.
- **Workers who are 65 to 70 years of age** and who are receiving a CPP or QPP retirement pension **have to contribute unless they have taken action** to stop their CPP contributions. By continuing to contribute (which can be done up to and including the month they reach 70 years of age), they will receive more benefits by way of the new post-retirement benefit (PRB). For more information on the PRB and other changes to CPP benefits, go to [www.servicecanada.gc.ca/cpp](http://www.servicecanada.gc.ca/cpp).
- **To stop contributing** to the CPP, workers have to be at least 65 years of age and receiving a CPP or QPP retirement pension. They must do the following:
  - Employees (who may also have self-employment income) have to complete [Form CPT30, Election to Stop Contributing to the Canada Pension Plan, or Revocation of a Prior Election](#), send the original form to the Canada Revenue Agency (CRA), and give a copy to their employer. The change will take effect on the first day of the month after the employee gives the form to their employer.
  - Self-employed workers must complete [Schedule 8, CPP Contributions on Self-Employment and Other Earnings](#), when they file their income tax and benefit return. The change will be effective on the first day of the month referenced in Schedule 8.

### Note

If you choose not to contribute by giving a completed copy of Form CPT30 to your employer, you have to wait until the next calendar year before you can start contributing again.