

How to roll over money from an RRSP to an RDSP?

With a disability saving plan, be sure to include rollover details in your will



by [Janet Gray](#)
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Q. To rollover an RRSP into an RDSP, where do you need to document the instructions? Do I have to do all of the following criteria?

1. Specify this in the will;
2. Ensure the dependent is the beneficiary o the account;
3. Inform the executor how to deal with this when dealing with the will.

—*Thanks, Patricia in Toronto*

A. Patricia, thanks for this interesting question that will help others also.

A Registered Disability Savings Plan (RDSP) is a retirement plan for disabled individuals that allows contributions to be made—and often with government grants added. At death, the parent or grandparent is able to roll over their RRSP or RRIF to an RDSP of an eligible individual (child or grandchild) who was financially dependent (due to their infirmity) on the deceased at the time of the deceased’s death. The beneficiary must be age 59 or younger at time of roll-over.

While it is not necessary to have the roll-over in the will, it would be a lot easier if it is. Yes—the dependent has to be the beneficiary of the RRSP or RRIF. Several other rules including the rollover must occur within six months from the date of death, and the rollover must be within the \$200,000-lifetime contribution limit so any previous contributions need to be taken into account.

Note that the rollover will not attract any grant money. You might also want to consider a Henson Trust or a Lifetime Benefit Trust. Yes, you should inform the executor how to deal with this when dealing with the will. It’s always better to discuss with family members and executors at the earliest possible moment. I would suggest that a lawyer who has experience in this area help you to create your will and other planning strategies in this area.