Should you melt your RRSP into a non-registered account?

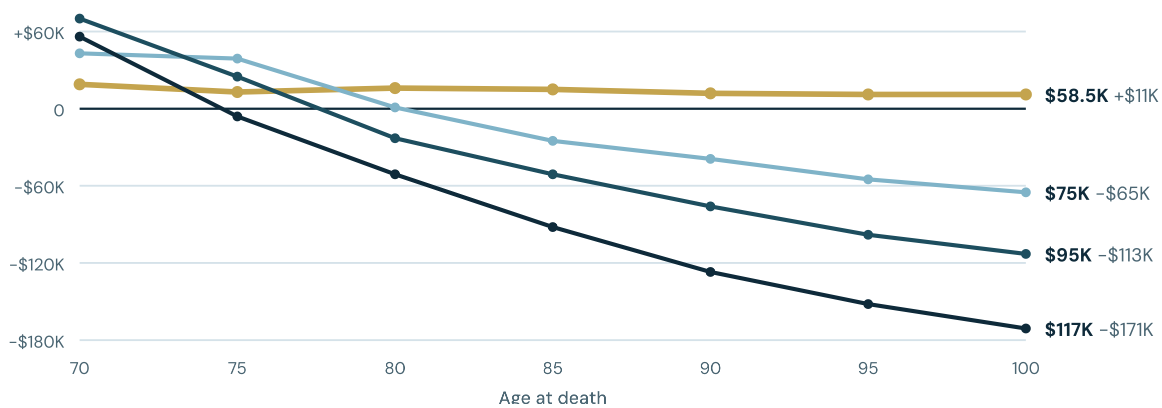
Taking RRSP money out early and moving it into your TFSA is widely seen as a smart move. We tested what happens once the TFSA is full and the extra money goes into a regular taxable account, across 3,000 simulated markets and every age of death from 61 to 100.

Melt down to the income your forced withdrawals will create later, and no higher.

Add up what you expect at 72: RRIF minimum, CPP, OAS and any pension. That total is the ceiling for the years before.

WHAT IT DID TO THE ESTATE

Median change in after-tax estate vs no meltdown, today's dollars · single retiree, $800K RRSP, 60/40 mix, by how far income was filled each year



+$15K
typical gain from a small fill to ~$58.5K. It came out ahead at every age of death.

78–81
age of death after which bigger meltdowns ($75K+) leave your heirs less

<$1,300
change in what you can safely spend each year. It's an estate decision.

IT TENDS TO PAY WHEN

- You are single
- Your RRSP is large for your other income
- You have a defined benefit pension
- Forced RRIF withdrawals would push you into the OAS clawback

IT TENDS NOT TO WHEN

- You are married: the RRIF rolls to your spouse and income can be split
- You plan to leave money to charity
- You hold mostly bonds in the taxable account
- You would melt above your future income

CHECK FIRST

- Is your TFSA full?
- What will your income be at 72?
- What does your health and family history suggest?
- Which matters more: spending or your estate?

Want your own number?

Book a Fit Call at **glacierfinancial.ca/fit-call** · 519-281-2735

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Based on a Monte Carlo model using 2026 federal and Ontario tax rules, 3,000 market paths, stocks 6.6% and bonds 3.4% average returns, 0.5% assumed fund costs, 2.1% inflation and standard life tables. Results for any one household will differ. General information, not personal advice.