

Maximum deductible pension contribution limit

The maximum deductible pension contribution limit is the amount your employees who are plan members can claim on their tax returns for pension plan contributions. This limit is calculated based on the year's maximum pensionable earnings.

The limit

College, PSPP, TPP, and WSBC: \$21,027

MPP:

- General and group 5 employees—\$21,027
- Employees in a special agreement group—\$21,447

How to use the limit

- Deduct, remit and report contributions on all pensionable salary
- Report up to the maximum deductible contribution amount on 2021 T4 slips for employees who are plan members

Additional 2021 Canada Revenue Agency limits and values

Year's maximum pensionable earnings	\$61,600 (previously \$58,700)
Defined contribution limit	\$29,210
RRSP limit	\$27,830
Basic exemption amount	\$3,500

Canada Pension Plan rates

Employee and employer rate	5.45% (previously 5.25%)
Self-employed rate	10.90% (previously 10.50%)

Employer Operations

Message Board

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