

Old Age Security (OAS)



Disclaimer

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- This presentation is informational purposes only. It does not constitute legal or professional advice. You are encouraged to consult with appropriate professionals if you have specific questions relating to any of the topics covered in this presentation.



What is OAS?

- Old Age Security Pension is a monthly payment available to Canadians aged 65 or older who meet Canadian legal status and residence requirements.



How do I Qualify for OAS?

- If you are living in Canada:
 - Be 65 or older;
 - Be a Canadian citizen or a legal resident at the time your application is approved; and
 - Have resided in Canada for at least 10 years since the age of 18.
- If you are not living in Canada:
 - Be 65 or older;
 - Were a Canadian citizen or a legal resident on the day before you left Canada; and
 - Have resided in Canada for at least 20 years since the age of 18.



When Does OAS start?

- You can start to receive OAS the month after you turn 65.
- OAS can be deferred up to 60 months.
 - The monthly benefit is increased by 0.6% per month of deferral.
- After age 70, there is no advantage to delaying your first OAS payment.



OAS Benefits

- OAS pension is calculated based on a 40 year residency in Canada (after turning 18).
- If you resided in Canada for at least 40 years, normally including the 10 years immediately prior to approval for the OAS, after turning 18 you receive a full OAS pension.
- If you do not meet the 40 year residency requirement, you may qualify for a partial OAS pension calculated at $1/40^{\text{th}}$ of the full OAS pension for each year of residency.



OAS Benefits

- OAS pensions are indexed on a quarterly basis (January, April, July, and October) depending on the change in the CPI.
- The maximum OAS monthly pension is \$713.34 (January – March 2024).



OAS Benefits

- OAS pension is income tested.
- If your net income exceeds \$90,997.00 (2024), your OAS pension is reduced by \$0.15 for each \$1.00 your net income exceeds this amount.
- If your net income exceeds \$148,065.00, you will not receive OAS pension.



OAS Enrolment

- The month after you turn 64, you should receive from Service Canada either:
 1. A letter informing you that you could be eligible for the OAS pension; or
 2. A letter informing you that you have been selected for automatic enrolment.



OAS Enrolment

- In the case of 1, you must complete the application accompanying the letter and return to Service Canada.
- In the case of 2, if the information in the letter is accurate and you do not wish to defer your OAS pension, you need to do nothing to begin receiving the OAS pension. If you wish to defer your OAS pension, you must inform Service Canada as noted in the letter.
- If you do not receive a letter the month after you turn 64, contact Service Canada for an application package.



Questions

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