



**Invest in You
Invest in your Education
Invest in Your Future**

A Brandon University Financial Planning Guide for Your Education



**BRANDON
UNIVERSITY**

Founded 1899

Getting a post-secondary education has never been more important than it is today. Financing your education may prove to be a challenge and may appear to be a hurdle on your road to an education. Here is some information to assist you in planning how to finance your education.

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Government Financial Aid

Canada Student Loans

Financial assistance is available through the Canadian and provincial government student loan programs for eligible full-time students (those taking 60% or more of a full course load), who are Canadian citizens or landed immigrants. The Government of Canada works in partnership with most provinces and territories to deliver student financial assistance programs. The exceptions are Quebec, the Northwest Territories and Nunavut which operate their own student financial assistance programs. Students must apply for loans through the province in which they have established residency. The maximum Canada Student Loan is \$210 per week of study. Example: for a 34-week program, the maximum is \$7,140 ($\210×34).

Manitoba Student Loans

These provincially subsidized loans are interest-free while you are a full-time student and for six months after your studies end. You must begin repayment of the loan six months after you cease to be a full-time student. The maximum Manitoba Student Loan is \$140 per week of study. For a 34-week program, the maximum is \$4,760 ($\140×34).

When you qualify for a Canada Student Loan, you are automatically assessed for the Canada Student Grant. All federal grants have been combined into the Canada Student Grant to provide more effective support for students and to better assist Canadian families who struggle with the cost of higher education. The new grant will be paid through all years of a university undergraduate education. Students from low- and middle-income families will qualify based on clearly defined income levels. The new program will provide \$250 each month in grants for students from low-income families and \$100 a month for students from middle-income families. Because this grant is predictable, you will be better able to plan and pay for your post-secondary education. Grants do not require repayment.

Complimentary grants will be available for students with permanent disabilities and students with dependants. Low-income students with dependants will receive an improved grant that will provide more money up front (\$200 per month for each dependant under 12). Students with a permanent disability will continue to receive grant assistance similar to the Canada Access Grants and Canada Study Grants they received in the past. A separate application is required only for the Grant for Services and Equipment for Students with Permanent Disabilities.

Part-time students are also eligible for student loans. To be eligible, the student must be enrolled in a course load of between 20 and 60 percent of a full course load. Repayment begins six months after graduation. You are not required to make loan payments while you are studying but interest will accumulated on your loan during this time.

Student loans must be repaid at interest rates established by the government through the National Students Loan Service Centre, starting six months after the borrower ceases to be a full-time student. These federally subsidized loans are interest-free while you are a full-time student. Interest begins to accumulate once you cease to be a full-time student. Students who are actively seeking work but are unemployed at the end of the six-month grace period may apply, through the National Student Loans Service Centre, for a Repayment Assistance Plan on their Canada Loans.

Links for student aid contacts:

www.canlearn.ca
www.student-loans.sk.ca
www.StudentAidBC.ca
www.afe.gouv.qc.ca

www.hrdc.gc.ca
www.alis.alberta.ca
osap.gov.on.ca
www.studentloans.pe.ca

www.studentaid.gov.mb.ca
www.studentaid.gnb.ca
studentloans.ednet.ns.ca
www.ed.gov.nl.ca/studentaid

Student Lines of Credit

Most financial institutions offer student lines of credit as well as other banking options for students enrolled in full-time programs. Available amounts are based on individual approved credit limits with monthly interest-only payments required while attending school. Amounts vary at each institution.

CIBC offers financial solutions for students through their CIBC Advantage® for Students program. The Bank of Montreal's Student Six Pack® program is a suite of products and services designed to meet the financial needs of post-secondary school students which includes a student line of credit. The Royal Bank offers a Royal Credit Line® for Students as well as other student banking options. TD Canada Trust and Scotiabank also offer banking solutions for students.

Brandon University Scholarships & Bursaries

Brandon University offers a variety of scholarships and bursaries each year. Scholarships are awarded to recognize students' achievements, are based on academic achievement and are used to attract the best students to Brandon University. Bursaries help students with demonstrated financial need to reach their full potential and become Brandon University's best students. Academic achievement may also be considered in awarding bursaries.

The awarding of scholarships and/or bursaries is contingent upon attendance at Brandon University during the regular session. Unless otherwise stated in the terms of reference of the award, students will be required to be registered in a minimum of 24 credit hours in the regular session to retain the scholarship. The student must also have a cumulative grade point average of not less than 2.5 to receive a scholarship and not less than 2.0 to receive a bursary. Brandon University scholarships and bursaries are approved and awarded by the Senate Scholarship committee. Questions should be directed to the Scholarship Office at 727-9737.

Other organizations and institutions may also have awards available to Brandon University students. A starting point for finding out about these possibilities is suggested below.

External Scholarships & Bursaries

StudentAwards.com (www.studentawards.com)

To assist with your search for external funding, StudentAwards.com provides a unique service that matches awards with eligible candidates and institutions. Membership is free, and you can choose to receive updates of new awards via email.

Myschool.com (www.myschool101.com)

This is a site where students can learn about career and educational opportunities. The site also features a custom search for students looking for scholarships that suit their personal profile.

Scholarships Canada (www.scholarshipscanada.com)

This site is a comprehensive scholarship portal that includes a database of scholarships, student awards, bursaries and grants, as well as information about student loans, applications and budget planning.

Other Options

Lifelong Learning Plan (LLP) (www.ccr-aadrc.gc.ca)

The LLP allows eligible students to withdraw up to \$10,000 per year, tax free, (up to \$20,000 over a four-year period) from their RRSP. Withdrawals are repayable over 10-years.

Registered Education Savings Plan (RESP) (www.hrsdc.gc.ca)

RESPs (registered education savings plans) permit savings to grow tax-free until the beneficiary is ready to enrol full-time into a qualified post-secondary institution. Contributions to all RESPs are subject to a lifetime maximum of \$42,000. An RESP also allows you to apply for the Canadian Education Savings Grant.

Canada Education Savings Grant (CESG) (www.hrsdc.gc.ca)

The CESG is a grant from the Government of Canada paid directly into a beneficiary's RESP to a limit of \$7,200.

Canada Learning Bond- CLB (www.Canlearn.ca)

The Canada Learning Bond (CLB) is a grant offered by the Government of Canada to help parents, friends, and family members save early for the post-secondary education of children in modest-income families. The Canada Learning Bond is available to children who meet specific criteria outlined by the Canada Education Savings Program. The Government of Canada will make a one-time payment of \$500 into the RESP of children who qualify for the Canada Learning Bond and a \$100 deposit each subsequent year the child's primary caregiver receives the National Child Benefit Supplement, to a maximum of \$2,000.

The Canada WorkInfo Net (www.workinfo.net)

This site provides links to a variety of web sites with financial aid resources and educational funding.

WCB and Retraining (www.wcb.mb.ca)

Some individuals may qualify for assistance from the Workers' Compensation Board (WCB). The WCB may help with rehabilitation, retraining and educational upgrading.

Payment Plans

Subject to credit approval by Financial & Registration Services, payment plans are available in limited circumstances. To arrange a payment schedule proof the student has the financial capacity to make payments will be required. The initial payment must be at least 50% of the amount owing and the remaining balance must be paid 10 days prior to the exam period. Failure to meet the payment schedule will result in registration cancellation.

Emergency Funding

JRC Evans Emergency Loan

This loan is for short term financial assistance and is not available for payment of tuition or books. It is a source of last resort financial assistance to meet an emergency situation related to a student's academic pursuits. The term of the loan is a maximum of six months or until graduation, whichever comes first. This loan is only available to full time students. As a loan, it requires a co-signer who is not a student. The maximum amount available is \$600.

SUSA Grants

Student Undergraduate Supplementary Assistance Grants are available on a one-time basis to full time students. Similar to the JRC Evans loan this is for short term financial assistance and is not available for the payment of tuition or books. The maximum amount available is typically \$800.



Tax Planning

Tax Credits

Although tax may not be top in the mind of many students during their educational careers, it is important to understand how to minimize tax bills, maximize refundable tax credits, take advantage of tax planning opportunities, and fulfill compliance responsibilities. The Canadian tax system provides a number of incentives to reduce the cost of post-secondary education to students or sometimes a supporting person.

The three main incentives that may be available to students are the tuition tax credit, the education tax credit and the textbook tax credit. Tax form T2202A reports eligible tuition paid and months enrolled.

The amount of the education credit differs depending on whether the student is a full-time or part-time student in any given month. The education credit for a full-time student is \$400 multiplied by the number of months in the year during which the individual was enrolled in a qualifying educational program as a full-time student at a designated educational institution. The part-time credit is \$120 multiplied by the number of months in the year which the individual was enrolled.

If you are eligible to claim the education amount you can also claim an amount for textbooks. The claim is \$65 for each month you qualify for the full-time education amount; and \$20 for each month you qualify for the part-time education amount. A student may be able to transfer unused tuition, education and textbook credits to a parent, grandparent or spouse. Unused credits can also be carried forward to be used when the student does not have sufficient tax credits to reduce income to zero.

The full amount of scholarships, fellowships, or bursaries that are received by a student with respect to enrolment in a program that entitles them to claim the education amount is not taxable and is no longer reported as income on a tax return.

Manitoba Tuition Fee Income Tax Credit

Upon graduation, the Manitoba tuition fee income tax credit can provide students with a 60% rebate of tuition paid to a maximum of \$25,000. You are eligible if you graduated, on or after January 1, 2007, from a post-secondary institution recognized by Canada Revenue Agency and now work and pay taxes in Manitoba. The rebate is credited against Manitoba tax payable over a period of six or more years. The claim can be delayed by as much as 10 years to take advantage of tax savings.

Some other provinces also offer graduation tax credits, exemptions and rebates. Consult your provincial tax office for more information.

Other Tax Related Considerations

Students may also be eligible for the following tax credits: interest paid on student loans, purchases of public transit passes, and moving expenses.

You should consult a professional tax advisor for advice on your particular circumstances.

Brandon University
www.brandonu.ca

Financial & Registration Services
finreg@brandonu.ca
204-727-9757

Student Services
204-727-9769

While every effort has been made to ensure the accuracy of this document it is ultimately the student's responsibility to verify information as policies, details and specific amounts are subject to change from time to time.