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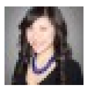
Five ways you're missing out on free money



Melissa Leong | November 1, 2014 8:30 AM ET
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People are often skeptical at the mention of "free money." Pop culture has taught us that there's always a catch. When the Joker dumped $20-million in cash on a crowd of parade goers in Tim Burton's *Batman*, that windfall came with a side of hot air balloons spewing poisonous gas.

But here are five examples of when you may be passing up free money and

we promise, this isn't just a load of hot air.

Failing to enroll in your company's retirement plan if they match contributions. When you contribute to your employer's retirement plan, your company may match you up to a certain percentage. Let's say your company matches your contributions for every dollar that you contribute to your group RRSP up to 6% of your pay. So if you contribute 6% of your $1,000 paycheque or $60, the company gives you an extra $60 for free.

"There's usually a period of time that you have to be employed before you opt in. The problem is that nobody reminds you to opt in," says Scott Plaskett, a certified financial advisor and CEO of Ironshield Financial Planning. "Or maybe they've opted-in but they never took a look at the investments and their money is just sitting in cash."

Contact your human resources department to inquire about your employer's benefits.

Setting up a Registered Education Savings Plan for your child and then not taking advantage of the government grants. According to an RBC survey, two-thirds of parents have already set up RESPs for their children but they are not making the maximum contributions. You can receive up to $500 a year in federal government grants when you contribute the $2,500 annual maximum (the federal government matches 20% of the first $2,500 contributed each year for eligible children) to a lifetime limit of $7,200. Set aside some time to put a financial plan in place. "We make time for what's important to us," Mr. Plaskett says.

Missing out on government programs. Aside from RESPs, governments want to give you money to start up a business. They want to pay for the cost of energy-efficient improvements to your home such as insulation and draft proofing measures. They want to provide forgivable loans or grants to help lower-income seniors and family members

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Tips for minimizing quarterly tax instalment payments

Taxpayers and their advisors should pay close attention to the required level of quarterly instalment payments, as this is a key part of wise tax, investment and cash-flow planning

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Home Budget Calculator

renovate to make homes safer and more accessible. They want to give you money to support you in retirement.

"Low-income seniors are entitled to receive the Guaranteed Income Supplement if their income falls below approximately $18,000," says Lise Andreana, a certified financial planner and author of *Financial Care for your Aging Parent*. "People don't know they're entitled to it and don't apply for it."

Inquire with federal and local jurisdictions for applicable grants.

Not researching the bursaries and scholarships that may apply to you as a student. Individuals, companies, charities and other groups offer free money through scholarships based on a variety of criteria (grades, volunteer work, athletics, financial need, etc.) If you're still in high school, consult your guidance counsellor for leads or check online on sites such as ScholarshipsCanada.com and StudentAwards.com.

Forgetting to use your loyalty points. You have to spend money to get rewards; but if you don't use those rewards, you're wasting opportunities. Check if your points expire. For example, Aeroplan Miles expire if you haven't earned or redeemed at least one mile in a 12-month period. As for Air Miles, starting Dec. 31, 2011, all reward miles have to be redeemed within five years. (Any miles earned before 2011 have to be redeemed by Dec. 31, 2016.)

Financial Post

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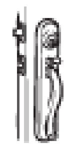

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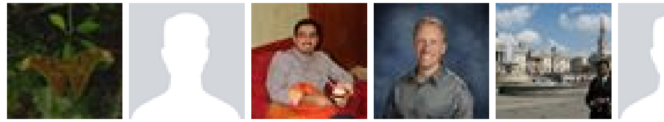

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Different Drummer • a day ago

Air Miles is a scam. At first it cost 100 points to get a $20 certificate for Metro (for exam
Then 140. Then 170. Then it disappeared. So save the points for some other "dream" r
Pizza. Getting close. Poof, it's gone. Then another item, and yup, gone. Hey, iTunes! N
remotely interesting. Okay, give me the movie vouchers. Nope. Gone. All without notice

Clearly they are getting rid of the "dream" rewards, but not allowing the points to be use
in due course all those saved up points will simply expire and the "dream" will end up be

What a ripoff.

35 • Reply • Share ›

Aton Rekoobecaf → Different Drummer • 13 hours ago

I've redeemed for a Dyson vacuum and many tanks of gasoline for my truck.

1 • Reply • Share ›

littlered → Different Drummer • 30 minutes ago

Air Miles is not a scam. My points have paid for three flights over the past five ye

• Reply • Share ›

Haefen • 2 days ago

It is interesting how people think government money is "free", I guess that just shows w

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45 ⌃ | ⌄ • Reply • Share ›

jamesont • 2 days ago

Point number 3 is fallacious. Government programs are not funded with "free" money; t
as such are not "free".

23 ⌃ | ⌄ • Reply • Share ›

LewisDodgson ➦ jamesont • 3 hours ago

If anything, it should read "get some of your money back from the government b

3 ⌃ | ⌄ • Reply • Share ›

Dyspeptic Rationalist • 20 hours ago

Here is another free money tip:

Its seems popular for people to be madly paying down their mortgages and ignoring the

They take every spare dollar and dump it against their 2% mortgage. Then on income ta
dollar and give 25 -30% of it to the government.

Hey! here's an idea! Maximize your RRSP and then (if you must) put the refund against
diversify your investment out of just your house and into some prudent holding within a

10 ⌃ | ⌄ • Reply • Share ›

rjb67 ➦ Dyspeptic Rationalist • 3 hours ago

Just wait until its time to use some of that money in your RRSP. Then you may
your RRSP contribution days with despair.

2 ⌃ | ⌄ • Reply • Share ›

DrJay1980 ➦ rjb67 • 2 hours ago

So as an Albertan, I contribute to my RRSP enough to get out of the 39%
put $1 in and I get back $.39. Then I retire and withdraw at the 32% marg

magnified over years and years.

I always thought despair was an emotion for a funeral... maybe I've been
years. Thanks rjb67!

Reply • Share ›

Drake Mallard Dyspeptic Rationalist • 2 hours ago

Agreed. While not free money, investing inside of a registered tax haven does h
your pocket. Which in the moment is nice isn't it? I always love the "well they wil
people have, as if saving $5 or 10 or 20k a year in a tax sheltered investment is
some tax on the other side, but that tax, assuming you have invested wisely anc
be a pittance compared to the tax you saved all those years inside the RRSP. C
advice of an accountant, and a financial advisor whom can help you not only ret
witholding and income tax, but keep that money working in your favour.

A RRIF is not the only way to get money out of your RRSP, there are far more e

Reply • Share ›

Sounder • 2 days ago

There is no 'free' money. Govt simply takes it from one group of taxpayers to give it to a

19 • Reply • Share ›

trogmeister Sounder • a day ago

Less the administration charges.

16 • Reply • Share ›

rackl3r • 2 days ago

Five ways fools miss out on free money. This article will only help the clueless.

13 • Reply • Share ›

Feisty Feline rackl3r • 2 days ago

What do you mean I can't pay my Visa with Mastercard?

14 · Reply · Share ›

rackl3r ➦ Feisty Feline · 19 hours ago

GOLD

1 · Reply · Share ›

Stephen Harper · a day ago

That scholarship advice is bunk. Maybe in the 1980's.

5 · Reply · Share ›

Aton Rekoobecaf ➦ Stephen Harper · 13 hours ago

I earned many scholarships and bursaries when I was in college in the mid 90's

1 · Reply · Share ›

passerby1969 · 2 days ago

I like PC for points. I agree that scholarships are overlooked.

7 · Reply · Share ›

tara · 2 days ago

life experience has taught me nothing is free in life and everything has it's price.

8 · Reply · Share ›

TSowell Fan ➦ tara · 7 hours ago

What price are you paying for the air you breathe? For that beautiful sunrise this
point you're missing -- despite your vast 'life experience' -- is that, while everythi
everybody pays that price.

2 · Reply · Share ›

Michael Miles · 21 minutes ago

Here is a free money tip for you. Grow marijuana. Whoever said money does not grow this little diddy did they

2 ^ | ⌄ • Reply • Share ›

Dyspeptic Rationalist • 20 hours ago

You are all very suspicious, lol...

The RESP are good, particularly for lower income families, as the grants are income te
post secondary school you have to give the grant portion back. One important caveat tc
companies that requires fees for set up and have scams regarding withdraws or misse
major bank, you should be fine.

When I was in the Financial business I could never understand why parents didn't open
ESPECIALLY the poor families! Even if you NEVER PUT IN A DIME the government wil
no down side!(except perhaps for the tax payers lol). In 10 or 15 years never putting a c
couple of grand, at least it will cover the books.

A notable missing 'free money' vehicle here is TFSAs. Broadly misunderstood and und
retirement plan. A TFSA will likely be best utilized for the longer term, growth portion of
point sheltering the $3.73 of interest earned on your spring vacation fund.

1 ^ | ⌄ • Reply • Share ›

Arrgee ➦ Dyspeptic Rationalist • 19 hours ago

Is that correct? I thought the grant was made as a percentage of the amount yo
$500 per child per year. Therefore on $2500 you get the maximum grant...did I n
give you a grant just for opening the RESP....

4 ^ | ⌄ • Reply • Share ›

JWG1954 ➦ Arrgee • 16 hours ago

You are correct. There is no money for just opening up an RESP.

2 ^ | ⌄ • Reply • Share ›

DrJay1980 ➦ JWG1954 • 2 hours ago

incorrect. Depending on your province there is Free money. Albe
Then they throw in an additional $100 at ages 8, 11, and 14 as lo
year before that age.

And don't forget if you're low income, you will get $500 as a learn
up to age 15... without any contributions at all.

Ignorance is why people don't open RESP's. Ignorance. And don
people who seem to believe "you lose it all if your kid doesn't go t

Reply • Share ›

SeaChange9898 → Dyspeptic Rationalist • 19 hours ago

And then use the TFSA or a portion thereof to top up your RRSP at tax time.

Reply • Share ›

Far Side • 2 hours ago

Best to get Canadian Tire Master card - you get 10 cents off at the gas pump - saves y
cheaper than Costco!!!! All you have to do is make all of your purchases via this card ti
you get 10 cents off at the pump - no brainer. All the rest of the point system is basically
cost $120 per year or more as fees.

Reply • Share ›

DoNotLikeItDealWithIt • 7 hours ago

Loving my Shoppers Drug Mart points! I always allow them to build up and go on a shop
make my purchases when they have 20x the points rewards, etc.

Reply • Share ›

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