







## Can You Stop CPP Payments After You Start Collecting?

Maybe you decided to collect CPP early and now realize delaying for a higher payout is a better strategy. Can you then stop CPP and defer to sometime in the future?

The answer is 'Yes.' The CPP retirement pension can be cancelled if you do so within the first 12 months. I discuss how the process works below.

## How To Cancel or Defer CPP Payments

To stop your CPP payments after starting, contact Service Canada and request a cancellation in writing. Ensure you make this request within 12 months of starting your pension.

You will need to repay all benefits already received and can reapply at any time until age 70.

You can find the Service Canada locations in your area [here](#).

## Reasons To Stop or Delay CPP

Some reasons to stop and defer CPP include:

**Higher Benefits:** Your pension increases by 0.70% monthly for every month you delay CPP after age 65. In all, this can boost your CPP payments by up to 42% annually by age 70. Conversely, when you take CPP earlier than age 65, your benefits decrease by 0.60% each month and up to 36% overall if you start collecting at age 60 (instead of the [standard retirement age](#)).



**Tax Management:** If you have a high income from other sources (including ongoing employment) and don't need CPP funds, it could make sense to defer it until later. You could also defer to [minimize OAS clawback](#).

## Reasons Not To Defer CPP

Life is not guaranteed. If you have a shorter expectancy, there may be no point in delaying your pension. You should also consider the [CPP disability pension](#) if applicable.

Secondly, if you plan on leaving a larger estate, you may want to rely more on the CPP while spending less of the assets you can pass on to your beneficiaries, such as the TFSA, RRSP, and non-registered investment accounts.

## Can You Stop CPP Contributions While Working?

You can elect to stop making CPP contributions while working if you meet all these conditions:

- You are at least 65 years old but under 70
- You receive a CPP or QPP pension
- You receive or will receive pensionable earnings that require CPP contributions

If you are under 65 and are working, you must contribute to the CPP and cannot opt-out.

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