RETRAITE QUÉBEC
Québec Pension Plan

If You Separate

Learn more about your rights and obligations

Québec

If you are a member of a private-sector pension plan (the RREGOP, the PPMP, etc.), also consult the publication entitled *In the Event of the Breakdown of Your Union*, available on our website.

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Why do you need to consider the Québec Pension Plan if you separate?

The Québec Pension Plan provides for retirement, disability and survivors' benefits if a worker made sufficient contributions to the Plan. Benefit amounts are calculated based on pensionable employment earnings.

Following the breakdown of a couple's union, the pensionable employment earnings recorded under the Québec Pension Plan under the names of both former spouses are added together and divided equally for each year subject to partition. The new amounts can change the amount of any benefits that will eventually be paid to you as well as any already being paid. They can also give entitlement to a retirement pension, a disability pension or survivors' benefits. However, you should not expect to receive any money before you become entitled to benefits.

Note that…

If you received employment earnings in Canada, outside Québec, they are recorded under the **Canada Pension Plan**. Partition of employment earnings recorded under the Canada Pension Plan is calculated the same way as for the Québec Pension Plan.

If you were married or in a civil union

Following a divorce, separation from bed and board (legal separation), annulment of marriage or dissolution or annulment of a civil union, the earnings recorded under the Québec Pension Plan for the years of your union are **automatically** partitioned, unless you and your former spouse explicitly renounced partition.

To avoid partition, your judgment or joint notarized declaration must specifically state that you both renounced partition of employment earnings recorded under the Québec Pension Plan, even if it states that you renounced partition of family patrimony.

The employment earnings that can be partitioned under the Québec Pension Plan are those entered for the period during which you were married or in a civil union. If you lived together before your marriage or civil union, you can file a joint application for partition for the period during which you lived in a de facto (common-law) union.

If your judgment was rendered in Québec

You do not have to file an application for partition. The Ministère de la Justice will send us a copy of your judgment and we will then carry out partition if you have not renounced it.

If your judgment was rendered outside Québec

For partition to be carried out, you must file an application. You can obtain the Application for Partition of Employment Earnings Between Former Spouses Under the Québec Pension Plan form on our website or by contacting us.

If you were de facto (common-law) spouses

If you have separated, partition of the earnings recorded under the Québec Pension Plan can be carried out for the years of your de facto union. However, you must file a **joint application** with your former spouse within the four years following your separation.

You must also meet the following three conditions:

- You must have lived in a conjugal relationship for at least three years, or for at least one year if a child was born or is to be born of your union or if you adopted a child together.
- You must have been separated for at least 12 months.
- At the time of separation, you and your former spouse cannot have been married to, or in a civil union with, another person.

You can obtain the Application for Partition of Employment Earnings Between Former Spouses Under the Québec Pension Plan form on our website or by contacting us.

For what period is partition carried out?

The period subject to partition is always determined in terms of full years.

For married or civil-union spouses, it begins on 1 January of the year of your marriage or civil union. It ends on 31 December of the year preceding:

- the end of the conjugal relationship, if the judgment so provides;

or

- the filing with the Court of an application for divorce, separation from bed and board (legal separation), annulment of marriage, or dissolution or annulment of civil union.

For de facto spouses, the period subject to partition begins on 1 January of the year they started living together and ends on 31 December of the year preceding the end of the period of cohabitation.

Example of partition

Date Michael and Maria were married
May 2014

Application for divorce filed with the Court
June 2018

Period subject to partition of earnings
1 January 2014 to 31 December 2017

Employment earnings recorded

	Michael		Maria	
	Before partition	After partition	Before partition	After partition
2014	$20 000	$26 000	$32 000	$26 000
2015	$10 000	$17 500	$25 000	$17 500
2016	$10 000	$22 500	$35 000	$22 500
2017	$25 000	$30 000	$35 000	$30 000

What are the effects of partition?

Request a **simulation of the effects of partition of employment earnings**. The simulation will allow you to find out whether partition of employment earnings recorded under the Québec Pension Plan will be to your advantage. We will send you an estimate of the amount of your retirement pension before and after partition **quickly and free of charge**. If you are considering renouncing partition, be sure to have all the information on hand in order to make the right decision.

Regardless of your situation, it's a good idea to request a simulation

Do you work? Even if you and your former spouse earn the same salary, partition could be advantageous. For example, if you left your job to go with your spouse to a foreign country, started your own business or went back to school, it is likely that during those years, no amounts were recorded under your name under the Québec Pension Plan. Partition could make a significant difference to your future retirement pension.

Are you or your former spouse currently receiving a retirement pension under the Québec Pension Plan? Partition could increase or decrease your retirement pension.

Have you never worked? Partition could render you eligible for a retirement pension or disability benefits, or render your family members eligible for survivors' benefits under the Québec Pension Plan.

You can obtain the Application for Partition of Employment Earnings Between Former Spouses Under the Québec Pension Plan form on our website or by contacting us.

If the proceedings for divorce, separation from bed and board (legal separation), annulment of marriage, or dissolution or annulment of civil union have not yet begun, or if you are in a de facto union, **you must obtain your spouse's consent before** you can request a simulation of partition.

How does Retraite Québec inform you that partition has been carried out?

We generally send a Notice of Partition within 30 days after receiving a judgment or an application for partition of earnings between former de facto (common-law) spouses. If you or your former spouse have renounced partition, we notify both of you in writing that partition will not be carried out.

Supplemental pension plans

Supplemental pension plans go by many names: pension fund, pension plan, registered pension plan, employer plan, etc.

A supplemental pension plan is a written contract by which an employer acting alone or an employer and its employees who are members of the plan are required to make contributions. Those contributions are intended to provide the plan's members with retirement income, which completes the income received from public plans.

This section concerns retirement plans that are subject to the *Supplemental Pension Plans Act*. They are pension plans of employers whose activities are under provincial jurisdiction and which are found in the private, municipal and university sectors, as well as certain plans in the parapublic sector.

This section does not deal with:

- public-sector pension plans (RREGOP, PPMP, etc.);
- private-and public-sector pension plans under federal jurisdiction (banks, interprovincial transportation and telecommunications companies, the federal public service, etc.);
- group and individual RRSPs;
- voluntary retirement savings plans (VRSPs).

Partition of benefits accrued under a supplemental pension plan

Supplemental pension plans are part of the family patrimony and can be one of its most important assets. Spouses who are married or in a civil union and who separate must take such plans into account when partitioning assets.

Former de facto (common-law) spouses can also have the benefits accrued under their pension plans partitioned if they both give their consent.

What can you partition?

You can partition amounts accrued under your pension plan but not the actual pension that will be paid to you upon retirement. Your former spouse will receive a sum that he or she can use upon retirement. Amounts paid in this manner will be deducted from the benefits you accrued under your pension plan.

Partition

Step 1: Request a statement of benefits (valuation)

To make an informed decision, you or your spouse can ask the plan administrator for a statement of the value of your benefits. You will both receive a statement of benefits within 60 days of filing your application.

Many administrators will provide a statement free of charge. However, they may charge a fee that you and your former spouse must pay jointly. The expense is well worth it since the information on the statement can help you avoid costly mistakes.

> Do not rely on the **annual statement from your pension plan** to determine the value of your benefits. That statement does not specify the value as at the date required in the event of partition. In addition, that value is not necessarily calculated using to the method required for partition.

Step 2: Request partition

Partition of the benefits accrued under your supplemental pension plans is not carried out automatically; you or your former spouse must file an application with the plan administrator. The administrator can charge a fee that you both must pay jointly.

Upon receipt of your application, the plan administrator will carry out partition. Your former spouse will be paid the amount provided for in your agreement, judgment or joint notarized declaration, with interest. Except in exceptional circumstances, amounts paid to your former spouse cannot be used until he or she retires. Any withdrawals will be taxable.

> You should file for partition **as soon as possible** after the conjugal breakdown.

You can obtain the application forms for a statement of benefits and for partition on our website or by calling us.

Payment

Your former spouse will not receive cash. In most cases, the amount received from partition will have to be transferred to a locked-in retirement account (LIRA) or a life income fund (LIF). The statement of benefits from your plan administrator will provide more information regarding the available options.

You can obtain our booklet entitled *Are you familiar with LIRAs and LIFs?* on our website or by contacting us.

Exceptions

Your former spouse can receive a lump sum if:

- The amount receivable does not exceed 20% of the maximum pensionable earnings (MPE) under the Québec Pension Plan, for example, $11 480 in 2019.

or

- Your former spouse has not lived in Canada for at least 2 years.

or

- You can receive a lump sum payment (for example, if you split a not locked-in account under a simplified pension plan).

Any cash received will be taxable. However, income tax can be deferred by transferring it directly to a registered retirement savings plan (RRSP) or to a registered retirement income fund (RRIF).

Married, civil-union or de facto spouses

Even though the steps for partition are the same, special conditions apply, depending on whether you were married, in a civil union or de facto spouses.

If you partition your family patrimony, the judgment or the agreement cannot provide for the value of your benefits allocated to your former spouse to be more than half the total value of the benefits accrued under all your supplemental pension plans and voluntary retirement savings plans.

If you were de facto spouses, you cannot allocate your former spouse more than half of the total value of the benefits accrued in each of your pension plans on the day the relationship ended.

If you were married

Step 1: Application for a statement of benefits

You or your spouse can request a statement of benefits if you are in family mediation or if you have started proceedings for divorce, separation from bed and board (legal separation) or annulment of marriage. Among other things, the statement will provide the value of the benefits that are part of the family patrimony, that is, the portion accrued during your marriage.

Step 2: Application for partition

To partition the benefits accrued under your pension plan, you must obtain a judgment of divorce or separation from bed and board (legal separation), or an annulment of marriage. If you separate without obtaining a judgment (de facto separation), you are not entitled to partition, even if there is an agreement between you and your former spouse.

You can apply for partition as soon as the delay for an appeal against your judgment has expired, that is, 30 days after the date on which it was rendered.

If you were in a civil union

Step 1: Request a statement of benefits

You or your spouse can ask for a statement of benefits if you are in family mediation or if you have started proceedings for the dissolution or annulment of a civil union, whether in court or before a notary. Among other things, the statement will provide the value of the benefits that are part of the family patrimony, that is, the portion accrued during your union.

Step 2: Request for partition

To partition the benefits accrued under your pension plan, you must have a judgment of dissolution or annulment of your civil union, or have a notarized joint declaration of dissolution of civil union. You can apply for partition as soon as:

- the delay for an appeal against your judgment has expired, that is, 30 days from the date on which it was rendered;

or

- once your notarized documents have been signed.

If you were de facto (common-law) spouses

Your former de facto spouse cannot unilaterally obtain partition of the benefits accrued under your pension plan. He or she is entitled to partition provided you agree to partition in writing within **12 months** following the breakdown of your union. The agreement must be signed by both former spouses, and specify the amount that you wish to transfer to your former spouse.

For your de facto spouse to be recognized as such, you must have lived together for at least three years, or for one year if a child was born or is to be born of your union or if you adopted a child together. In addition, the spouse who is a member of the plan must not be married to or in a civil union with another person.

Step 1: Request a statement of benefits

You and your former spouse can apply for a statement of benefits as soon as you stop living together. The statement will provide the total value of your benefits as at the date of the end of your union.

Step 2: Request for partition

Once you have a written agreement, you or your former spouse can request partition of the benefits accrued under your pension plan.

What to consider before making a decision about partition of your assets

Partitioning the benefits accrued under your pension plan equally is not always the best way to share your assets. When you start thinking about partition, you must take into account the effects of taxation, the income that will be generated by the retirement capital received, when you or your former spouse can begin using it and the interest that will be paid to your former spouse.

Interest will be added even if it is not provided for in your judgment or agreement. It is calculated for the period that starts on the date of the valuation of your benefits (which is generally the date on which your conjugal relationship ended or the date on which proceedings began). The period ends on the date on which the amount is paid to your former spouse. Further to partition, your benefits will decrease by the amount of the capital and interest paid to your former spouse.

As a result of the interest paid, if you are retired and you give half of the value of your pension to your former spouse, your pension will decrease by more than half due to partition.

If an application for partition is filed and your former spouse has not made his or her transfer choice known within the **60-day time limit**, interest stops accruing.

For more information

- **about your supplemental pension plan and your benefits**, contact the administrator of your pension plan. You will find the administrator's contact information on the statement that is sent to you periodically or you can ask your employer for it. You can also use the Pension Plans supervised by Retraite Québec service on our website, or call us.
- **about partition of benefits accrued under your pension plan**, consult your mediator or legal advisor.
- **about the *Supplemental Pension Plans Act***, in which you can find the rules for partitioning the benefits you have accrued under your pension plan, contact us.

Family Allowance

Retraite Québec pays Family Allowance to all eligible parents with dependent children under age 18 living with them in Québec. The Family Allowance measure is a financial assistance program that includes, in addition to Family Allowance, the Supplement for Handicapped Children, the Supplement for Handicapped Children Requiring Exceptional Care and the Supplement for the Purchase of School Supplies (for children ages 4 to 16).

If you are receiving Family Allowance when you separate, or if a change in custody could entitle you to that financial assistance, you must contact Retraite Québec.

Change in custody

A separation often leads to a change in custody. Family Allowance payments are affected when custody is changed from one parent to the other or is shared. That is why it is important to **inform us as soon as there are any changes in custody**.

If you are the parent currently receiving Family Allowance and have received overpayments further to changes in custody, you will have to repay them.

If you are not the beneficiary when you separate, you will not automatically begin to receive Family Allowance. You will have to **file an application** to receive the financial assistance. Family Allowance can be paid retroactively for a **period of 11 months** from the date on which the application is received, provided the eligibility requirements are met during that period.

Change in your conjugal status

When a conjugal status changes, Retraite Québec recalculates your Family Allowance amount. In order to be considered de facto separated, the breakdown of your union must have lasted for **at least 90 days**. You must wait until that period has passed before notifying us of your new conjugal status. However, if you are not receiving Family Allowance payments, you do not have to inform us of the change in your conjugal status.

When you separate

When you are the parent currently receiving Family Allowance

If you retain **sole custody of the child**:

- Declare your new conjugal status 90 days after the breakdown of your union.

If you **share custody of the child**:

- You must notify us as soon as possible of the shared custody of a child.
- Declare your new conjugal status 90 days after the breakdown of your union.

If you **no longer have custody of the child**:

- You must notify us as soon as possible to avoid having to repay overpayments.

When you are not the parent receiving Family Allowance

If you retain **sole custody of the child**:

- You must file an application for Family Allowance.

If you **share custody of the child**:

- You must file an application for Family Allowance.

Important!

We consider that a child is in shared custody when the child lives alternately with each parent between 40% and 60% of the time each month (for example: 3 days a week or 12 days a month). If custody of the child is shared between one parent and another person, the parent's percentage of custody time must be a minimum of 40% but not more than 49% each month.

In cases of shared custody, you are entitled to an amount equivalent to half of the amount that you would have received for the child, if the child were not in shared custody.

You must notify Retraite Québec as soon as possible if your monthly custody time for the child changes afterwards.

Payments for handicapped children

If a Supplement for Handicapped Children and, if applicable, a Supplement for Handicapped Children Requiring Exceptional Care are paid for your child, the financial assistance received will be:

- divided between the two parents who share custody of the child;

or

- paid to the parent who obtains sole custody of the child, as soon as we are informed of the situation.

Payments for the purchase of school supplies

If your child is eligible for the Supplement for the Purchase of School Supplies, the annual financial assistance will be:

- divided equally between the two parents if there is shared custody of the child at the time the payment of that supplement is made;

or

- paid to the parent who obtains sole custody of the child, as soon as we are informed of the situation.

To serve you better

Retraite Québec is commited to:

- offering high-quality services that meet your expectations. To find out more about our commitments, consult our Service Statement online.
- handling complaints and comments with complete independence and confidentiality. The **Commissaire aux plaintes et à l'amélioration des services** can make recommendations to improve our services and programs. You can phone us to leave a comment or file a complaint with the Commissaire. For more information, refer to our website.

Protection of personal information

We obtain personal information from citizens, government departments and public agencies. We protect that information and make sure that it is used by duly authorized personnel in carrying out their duties.

However, we can release the information to certain government departments and public agencies in accordance with written agreements approved by the Commission d'accès à l'information du Québec.

How to reach us

Online

www.retraitequebec.gouv.qc.ca

By telephone

Québec Pension Plan
Montréal region: **514 873-2433**
Québec region: **418 643-5185**
Toll-free: **1 800 463-5185**

Supplemental pension plans
Québec region: **418 643-8282**
Toll-free: **1 877 660-8282**

Family Allowance
Montréal region: **514 864-3873**
Québec region: **418 643-3381**
Toll-free: **1 800 667-9625**

This document has no legal value. It provides general information that may change after it is published. We suggest that you consult our website for up-to-date information.

This publication is available in alternate formats by calling **1 800 463-5185**.

Version originale française disponible sur demande

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