



DTC - Disability Tax Credit (Disability Amount)

2013

The Disability Amount, more commonly referred to as the Disability Tax Credit or DTC, is a non-refundable tax credit available to eligible persons with disabilities. The DTC reduces the amount of tax owed by a person to the government.

Eligibility Criteria

In order to claim the DTC, an individual must meet the following eligibility requirements:

The individual has an impairment in physical or mental functions, lasting, or expecting to last, at least 12 months AND is either:

- a) blind; OR
- b) receiving life-sustaining therapy; OR
- c) the effect of the impairment causes the individual to be **markedly restricted** in one of the basic activities of daily living; OR
- d) because of the impairment, the individual is **significantly restricted** in two or more of the basic activities of daily living OR is significantly restricted in vision and at least one of the activities of daily living.

The activities of daily living include:

- speaking
- hearing
- feeding
- walking
- dressing
- elimination (bowel or bladder functions)
- mental functions necessary for everyday life

It is important to note that the eligibility criteria for the DTC differ from those under the BC Provincial Persons with Disability Designation (PWD) and Canada Pension Plan Disability (CPP-D). Individuals can complete a *Self – Assessment Questionnaire* to determine their eligibility.

The *Self-Assessment Questionnaire* is included with the *T2201 Disability Tax Credit Certificate* application form, which can be downloaded from the Canada Revenue Agency (CRA) website.

(<http://www.cra-arc.gc.ca/E/pbg/tf/t2201>)

Reasons to Apply

There are several advantages associated with the DTC:

- **The DTC Amount**
The 2012 federal DTC amount is \$7,546. Individuals under the age of 18 at the end 2012 can claim up to an additional \$4,402.
- **Child Disability Benefit (CDB)**
Families with children who qualify for the DTC may be eligible to receive up to a maximum of \$218.83 per child per month under the CDB, from July 2012 to June 2013.
- **Working Income Tax Benefit (WITB) & WITB Disability Supplement**
Low-income individuals and families with employment or business earnings may be eligible for the WITB – up to \$1,230 for individual and \$1,952 for family. Individuals who qualify for the DTC and the WITB may be able to claim a WITB Disability Supplement of up to \$551 for 2012.
- **Disability Supports Deduction**
Attendant care services for individuals who qualify for the DTC may be claimed as a disability support deduction.
- **Eligible Medical Expenses**
The DTC serves as certification for certain medical expense deductions.
- **The Registered Disability Savings Plan (RDSP)**
Individuals eligible for the DTC are able to open RDSPs. The RDSP is a new long-term savings vehicle designed for individuals with disabilities. It includes very generous government grants and bonds of up to \$3,500 and \$1,000 per year respectively.
- **DTC Transferred From Dependant**
The DTC may be transferred, in whole or in part, from a dependent who qualifies for the DTC to the family member who provided the dependent with some or all of the basic necessities of life (such as food, shelter or clothing).
- **Recoup Taxes Paid in Prior Years**
Eligible individuals can claim the DTC for up to 10 years prior to the tax year of filing.

How to Apply

Individuals can apply for the DTC by completing form *T2201 Disability Tax Credit Certificate*, which can be downloaded from the CRA website. Forms must be certified by a qualified practitioner prior to being submitted to CRA. Qualified practitioners include medical doctors, optometrists, audiologists, occupational therapists, physiotherapists, psychologists and speech-language pathologists.