

# Annual Disability Tax Credit (DTC) Workshop

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“When we talk about disability justice in Canada, we are talking about dignity, fairness, and the right to support that is reliable instead of obstructive.”



# What is the DTC?

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## DTC is a non-refundable tax credit

The DTC helps reduce the income tax that people with physical or mental impairments, or their supporting family members, may have to pay. It aims to offset some of the costs related to the impairment.

If the DTC total is more than the amount an individual owes on their taxes, the CRA will not refund the remaining amount of the credit.

### Apply first, then claim

There are 2 main steps to getting the DTC:

- 1 Applying for the credit**

This involves you and a medical practitioner who can certify the effects of your impairment.
- 2 Claiming the credit on your tax return**

If your application is approved, you may then claim the disability amount on your tax return.

# DTC Eligibility

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Disability tax credit (DTC)

## Who is eligible

You may be eligible for the DTC if a medical practitioner certifies that you have a severe and prolonged impairment in 1 of the categories, significant limitations in 2 or more categories, or receive therapy to support a vital function.

The effects of the impairment must meet specific criteria under one of the following categories:

- vision
- speaking
- hearing
- walking
- eliminating (bowel and bladder functions)
- feeding
- dressing
- mental functions necessary for everyday life
- cumulative effect of significant limitations
- life-sustaining therapy

# DTC Eligibility (Cont'd)

- **A marked restriction**
  - You are unable to do the activity, or it takes 3 times longer than someone of similar age without the impairment (an inordinate amount of time), even with the use of appropriate therapy, medication, and devices.
  - This restriction is present all or almost all of the time (generally at least 90%), and the restriction has lasted or is expected to last for a continuous period of at least 12 months
- **A prolonged impairment**
  - If the impairment has lasted for a continuous period of at least 12 months or it is expected to last for a continuous period of at least 12 months.
  - If an impairment is severe and prolonged but does not cause the individual to be blind or to otherwise have a marked restriction, the individual may still qualify under the cumulative effect of significant limitations or life-sustaining therapy.

# DTC Eligibility (Cont'd)

- **To be eligible under the cumulative effect of significant limitations category:**
  - an individual must have limitations in two or more categories (excluding life-sustaining therapy) that:
  - Exist together all or substantially all of the time (generally interpreted as 90% or more)
  - Have a combined impact that is: – equivalent to being unable, or taking an inordinate amount of time, in one single category – present all or substantially all of the time (generally interpreted as 90% or more), even with therapy and the use of appropriate devices and medication.
- **Life-sustaining therapy**, must meet the following criteria:
  - The therapy is needed to support a vital function.
  - The therapy is needed at least two times per week.
  - The therapy is needed for an average of at least 14 hours per week

# Get Ready to Apply

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To apply for the DTC, you must submit a filled out **Form T2201, Disability Tax Credit Certificate**, to the Canada Revenue Agency (CRA). Form T2201 is divided into two parts. Part A is for you to fill out, and Part B is for your medical practitioner to fill out.

Applying for the DTC involves the person who has the impairment and a medical practitioner who can certify the effects of the impairment.

## Find a medical practitioner to certify your impairment

Medical doctor	All impairments
Nurse practitioner	All impairments
Optometrist	Vision
Audiologist	Hearing
Occupational therapist	Walking, feeding, dressing
Physiotherapist	Walking
Psychologist	Mental functions
Speech-language pathologist	Speaking

# Submitting your application

- Submit your completed Form T2201 to the CRA. **The form must be sent in its entirety (all pages).**

Ways to submit:

- Online through the 'Submit documents' feature in My Account
- Mail it to our nearest tax centre:

**Winnipeg Tax Centre Post Office  
Box 14006, Station Main  
Winnipeg MB R3C**

- You can send the form at any time during the year. **Please keep a copy for your records!**

# After the application is submitted



The CRA will render a decision based on the information given by the medical practitioner. In some cases, the CRA may request for further information, & may contact you or the medical practitioner.

## If the application is approved :

- You will receive a notice of determination that will show which year(s) you are eligible for the DTC.
- You do not need to send a new Form T2201 each year, unless the CRA requests it.
- You must tell the CRA if your medical condition improves and you no longer meet the criteria for the DTC.

## If the application is denied: :

- You will receive a notice of determination that will explain why the application was denied. You have the following options:
  - i. Call the CRA to ask questions about the refusal (1-800-959-8281)
  - ii. You can write to the tax centre and ask them to review your application & include any relevant medical information that you have not already sent. This can also be submitted online through your My Account.
  - iii. You may challenge the CRA's decision by filing an income tax objection **within 90 days** of getting your notice of determination.



# Claiming the DTC

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- The person with the impairment may claim the DTC on their income tax return once the CRA has approved their application.
- If they do not need the full disability amount to reduce their income tax, **they may transfer the remaining amount.**

## Transferring the credit

If the person with the impairment does not need the entire disability amount to reduce their income tax, they may transfer some or all of the disability amount to the supporting family member who is identified on the DTC application form (Part A question 2).

### ▼ Who qualifies as a supporting family member

A supporting family member is someone who the person with the impairment depends on for at least 1 of the **basic necessities of life** (food, shelter, and clothing).

The family member must be **1** of the following:

- ✓ their spouse or common-law partner
- ✓ their child or grandchild
- ✓ their parent, grandparent, brother, sister, uncle, aunt, niece, or nephew
- ✓ a child or grandchild of their spouse or common-law partner
- ✓ a parent, grandparent, brother, sister, uncle, aunt, niece, or nephew of their spouse or common-law partner

If the supporting family member who wants to claim the credit was not identified on the initial application, they can submit a written request to the CRA for the transfer. This request must be signed and include details of the support they provide for the basic necessities of life.

# Claiming for the 2024 tax year

Approved applicants who are 18 years and older (on the last day of the year) may claim the base disability amount. Those who are under 18 years old (on the last day of the year) may also claim the supplement for children with disabilities.

Disability amounts for the 2024 tax year:

## 18 and older

\$9,872 (disability amount)

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= \$9,872

or

## under 18

\$9,872 (disability amount)

+ \$5,758 (supplement for children)

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= \$15,630

## How to claim the DTC on your tax return

To claim the credit for the current tax year, you must enter the disability amount on your tax return. Any unused amount may be transferred to a supporting family member. It is not refunded.

### Claim for yourself

If you are the person with the impairment, enter the disability amount on:

[Line 31600 – Disability amount for self](#)

### Claim for a dependant

If you are the supporting family member (other than a spouse or common-law partner) of the person with the impairment, enter the disability amount on:

[Line 31800 – Disability amount transferred from a dependant](#)

### Claim for a spouse or common-law partner

If you are the spouse or common-law partner of the person with the impairment, enter the disability amount on:

[Line 32600 – Amounts transferred from your spouse or common-law partner](#)

## Medical practitioner fees

If the medical practitioner charged a fee for completing the DTC application or for providing information, you may be able to [claim the fee as medical expense](#) on lines 33099 or 33199 of your tax return.

# Amounts you may claim for the past 10 years

- If you were eligible for the DTC in the past years but did not claim the disability amount, you may be able to **claim it back up to 10 years**. If you did not check the box on the DTC application form requesting the CRA to adjust your previous returns you can:
  - Ask the CRA in writing to adjust your previous return(s)
  - Adjust your previous return(s) yourself online.

Year	Disability amount	Supplement for children (under 18)
2024	\$9,872	\$5,758
2023	\$9,428	\$5,500
2022	\$8,870	\$5,174
2021	\$8,662	\$5,053
2020	\$8,576	\$5,003
2019	\$8,416	\$4,909
2018	\$8,235	\$4,804
2017	\$8,113	\$4,733
2016	\$8,001	\$4,667
2015	\$7,899	\$4,607

A credit from past years may result in a refund on your tax return.

# Related Benefits & Programs

DTC eligibility opens the door to other federal, provincial, or territorial programs, such as:

- **Registered Disability Savings Plan**
- **Canada Workers Benefit**
- **Child Disability Benefit**
- **Canada Disability Benefit**

However, being eligible for other federal or provincial disability programs does not affect eligibility for the DTC.

# Canada Disability Benefit

- The first month of eligibility was June 2025
- You are eligible if you have been approved for the DTC, and if you are a citizen, permanent resident, or temporary resident (who has lived in Canada for at least 18 months)
- Provides direct financial support for people 18-64
- You can receive back payments for up to 24 months from your initial application, but not to before June 2025.
- You could receive up to \$2,400 a year, or \$200 a month.

# How to Apply for the Canada Disability Benefit

## Online

- [Application Code - Canada Disability Benefit](#)

## By phone

- Contact [Service Canada](#) by telephone, teletypewriter (TTY) or use a sign language interpreter to call the dedicated video relay service (VRS) line

## In a Service Canada office

- Visit a [Service Canada office](#) near you.

## By printed form

- Complete a printable [Canada Disability Benefit application form](#) or the [Canada Disability Benefit Legal representative application form](#)
- Drop it off at a [Service Canada office](#) or mail it to the federal government at:

Service Canada Centre  
CDB Processing Centre  
P.O. Box 60  
Boucherville, QC J4B 5E6

# Registered Disability Savings Plan (RDSP)

- The RDSP is a savings plan intended to help parents and others save for the long term financial security of a person who is eligible for the disability tax credit (DTC).
- Contributions to an RDSP are not tax deductible and can be made until the end of the year in which the beneficiary turns 59.
- Contributions that are withdrawn are not included as income to the beneficiary when paid out of an RDSP.

# **RDSP (Cont'd)**

There are two federal programs designed to supplement funds in the RDSP:

- Canada Disability Grants; and
- Canada Disability Savings Bonds.

The Canada disability savings grant, the Canada disability savings bond, investment income earned in the plan, and the proceeds from rollovers are included in the beneficiary's income for tax purposes when paid out of the RDSP.

# **RDSP (Cont'd)**

## **Canada Disability Savings Grant:**

- The grant is an amount that the Government of Canada pays into a registered disability savings plan (RDSP).
- The government will pay a matching grant of 300%, 200%, or 100%, depending on the beneficiary's adjusted family net income and the amount contributed.
- An RDSP can get a maximum of \$3,500 in matching grants in one year, and up to \$70,000 over the beneficiary's lifetime.
- A beneficiary's RDSP can receive a grant on contributions made until December 31 of the year in which the beneficiary turns 49.

# **RDSP (Cont'd)**

## **Canada Disability Savings Bond:**

- The bond is an amount paid by the Government of Canada directly into an RDSP.
- The government will pay a bond of up to \$1,000 a year to low-income Canadians with disabilities. No contributions have to be made to get the bond.
- The lifetime bond limit is \$20,000. A bond can be paid into an RDSP until the year in which the beneficiary turns 49.
- The amount of the bond is based on the beneficiary's adjusted family net income.

# RDSP Eligibility & Contributions

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## Who can become a beneficiary of an RDSP

You can designate an individual as beneficiary if the individual meets all of the following criteria:

- Is eligible for the DTC (disability tax credit) (unless transferring from an existing RDSP to a new RDSP).
- Has a valid social insurance number (SIN).
- Is a resident of Canada when the plan is entered into.
- Is under the age of 60 (a plan can be opened for an individual until the end of the year in which they turn 59). The age limit does not apply when a beneficiary's RDSP is opened as a result of a transfer from the beneficiary's former RDSP.

A beneficiary can **only have one RDSP** at any given time, although this RDSP can have **several plan holders** throughout its existence, and it can have **more than one plan holder** at any given time.

## The contribution limit for RDSPs

There is no annual limit on amounts that can be contributed to an RDSP of a particular beneficiary in a given year. However, the overall lifetime limit for a particular beneficiary is \$200,000 (all previous contributions and rollovers that have been made to an RDSP of a particular beneficiary will reduce this amount). Contributions are permitted until the end of the year in which the beneficiary turns 59.

### Note

Amounts directly transferred from one beneficiary's RDSP to another RDSP for the same beneficiary do not count toward the \$200,000 overall contribution limit.

# Opening an RDSP

- To open an RDSP, a person who qualifies to be a holder of the plan must contact a **participating financial institution** that offers RDSPs. These financial institutions are known as **RDSP issuers**.
- The plan **holder** is the person who opens the RDSP and makes or authorizes contributions on behalf of the beneficiary. As long as conditions are met, there can be more than one plan holder at any time.

## Who can open an RDSP

- A beneficiary can open an RDSP and become a holder of the plan.
- If the beneficiary is under the age of majority, a qualifying person can open an RDSP for the beneficiary and become a holder if that person is:
  - a legal parent of the beneficiary
  - a guardian, tutor, or curator of the beneficiary, or another individual who is legally authorized to act for the beneficiary
  - a public department, agency, or institution that is legally authorized to act for the beneficiary
- Adult beneficiaries who cannot open a plan by themselves due to concerns about their ability to enter into a contract, a legal representative must be the holder of the RDSP. If there is no legal representative, the following family member can open a plan on their behalf and be the plan holder:
  - Spouse
  - Common-law partner
  - Parent.

# Withdrawal & Closure (RDSP Cont'd)

- The RDSP is a long-term savings plan. The purpose of this plan is to support people with disabilities to have savings as they age.
- Regular withdrawals from a plan must begin by December 31 of the year you turn 60.
- [Withdraw money from your plan - Canada.ca](#) (Video)

# Claiming Medical Expenses

Medical expenses could include:

- Payments made to a medical doctor, dentist, nurse or certain other medical professionals, or to a public or licensed private hospital;
- Prescription medications; and
- Payment for artificial limbs, wheelchairs, crutches, hearing aids, prescription eyeglasses/contact lenses, dentures, pacemakers, certain prescription medical devices.

# How to claim medical expenses:

You can claim medical expenses on **line 33099 or 33199** of your tax return under Step 5 – Federal tax.

- **Line 33099** – You can claim the total eligible medical expenses **you or your spouse or common-law partner** paid for any of the following persons:
  - yourself
  - your spouse or common-law partner
  - your or your spouse's or common-law partner's children who were under 18 years of age at the end of the tax year
- **Line 33199** – You can claim the part of eligible medical expenses you or your spouse or common-law partner paid for any of the following **persons who depended on you for support**:
  - your or your spouse's or common-law partner's children who were 18 years of age or older at the end of the tax year, or grandchildren
  - your or your spouse's or common-law partner's parents, grandparents, brothers, sisters, uncles, aunts, nephews, or nieces who were residents of Canada at any time in the year
  - You have to calculate, for **each** dependant, the medical expenses that you are claiming on line 33199.

# Common medical expenses you can claim

- Attendant care & care in a facility
  - Care, treatment, and training.
  - Construction & renovation.
- Devices, equipment and supplies.
- Prescribed drugs, medications, and other substances.
  - Travel expenses.
  - Gluten-free food products.
    - Service animals.
  - Services and fees.

**For details on claiming these expenses visit the CRA website:**

[Medical Expenses 2024 - Canada.ca](https://www.cra.ca/medical-expenses-2024)

# Common medical expenses you cannot claim

- athletic or fitness club fees
- birth control devices (non-prescription)
- blood pressure monitors
- cosmetic surgery – expenses for purely cosmetic procedures including any related services and other expenses, such as travel, cannot be claimed as medical expenses. Non-eligible cosmetic surgery expenses include:
  - liposuction
  - hair replacement procedures
  - filler injections (for removing wrinkles)
  - teeth whitening

# Supporting Documents (Medical Expenses Cont'd)

- After submitting your taxes, you may be asked to submit supporting documents for any medical expenses you are claiming.
- You should keep **all receipts** that show the name of the company or individual to whom an expense was paid.
- Receipts for attendant care or therapy paid to an individual should also show the individual's social insurance number.
- Receipts should also show the purpose of the payment, the date of payment, the name of the patient, and, if applicable, the medical practitioner who prescribed the purchase or gave the service.
- In addition to receipts, the CRA may ask to see proof of payment, such as bank or credit card statements.

