



FACT SHEET

DISABILITY AMOUNT

The basic disability amount is a non-refundable tax credit that reduces the amount of income tax that an individual has to pay. Clients are eligible for the credit of \$6000 for 2001 if a qualified person certifies **any** of the following:

- They are blind all or almost all of the time, even with the use of corrective lenses or medication, and the impairment is **prolonged**
- They have a severe and **prolonged** mental or physical impairment that **markedly restricts** their ability to perform a **basic activity of daily living**
- They need, and dedicate time specifically for, **life-sustaining therapy** to support a vital function (see below)

An impairment is prolonged if it has lasted or can reasonably be expected to last for a continuous period of at least 12 months. Intermittent impairments are not considered prolonged.

Life-sustaining therapy

Life-sustaining therapy included clapping therapy to help in breathing, or kidney dialysis to filter blood. It does not include implanted devices, such as a pacemaker, or special program of diet, exercise, hygiene, or medication. For 2000 and later years only, individuals may qualify if a medical doctor certifies that they need, and dedicate time specifically for, life-sustaining therapy at least three times a week, to an average of at least 14 hours a week. The need for this therapy must

have lasted, or be expected to last, for a continuous period of at least 12 months.

Basic activities of daily living

The *Income Tax Act* defines the basic activities of daily living as perceiving, thinking and remembering, feeding and dressing, speaking, hearing, eliminating bodily waste, and walking. The basic activities of daily living **do not** include any other activities, such as working, recreation, housekeeping, or social activities.

When is an activity of daily living markedly restricted?

A client may be markedly restricted in performing a basic activity of daily living if all or most all of the time the client is unable (or it takes an extremely long time) to perform a basic activity of daily living, even with therapy (other than life-sustaining therapy) and the use of appropriated devices and medication.

How to claim the disability amount

Clients who claim the disability amount for the first time have to include a completed Form T2201, *Disability Tax Credit Certificate*, with their income tax return. Clients who have already qualified in the past do not need to submit another form unless the previous period of approval has ended or the CCRA asks for a new form. **Clients must advise the CCRA if their circumstances change.**

The following qualified persons can certify on Form T2201 that a client meets the eligibility requirements and can indicate whether the impairment is permanent, temporary, or should be re-evaluated later:

- a medical doctor;
- an optometrist for a vision impairment;
- an audiologist for an impairment with respect to an individual's ability in perceiving, thinking, and remembering;
- a speech-language pathologist for a speech impairment (applies to certifications made after October 17, 2000).

Supplement for person under 18

A supplement of up to \$3,500 can be claimed for a person under 18 at the end of 2001 who qualifies for the disability amount. The supplement is reduced by the expenses for childcare and attendant care that are more than \$2,050 and claimed in the year for the person.

If clients receive a disability pension, do they qualify for the disability amount?

No, not necessarily. It is the effect of the impairment on their ability to perform basic activities of daily living, and not their inability to work or the fact they receive a disability pension, that determines whether they can claim the disability amount.

Why would the CCRA deny a claim?

All requests for the disability tax credit are carefully reviewed on a case-by-case basis before determining an individual's eligibility. The *Income Tax Act* specifies the eligibility requirements that must be met to qualify for the disability amount. The CCRA can only allow a claim if a qualified person has certified that a patient meets these requirements.

Clients can find more information about the disability amount and related eligibility criteria in the guide called *Information Concerning People With Disabilities*, which contains a copy of Form T2001. They can also contact any tax services office. Addresses and Telephone numbers are listed in the government section of most telephone books.

Were you charged a fee to have your Form T2001 completed?

Any fees that a qualified person may charge to complete the certification area of Form T220, or to provide the CCRA with additional information, are the responsibility of the individual. These fees are not covered by the CCRA or by provincial Medicare plans; however, they can be claimed as an eligible medical expense on line 300 of the return.

Internet access

Additional information is available on the CCRA's "Information concerning people with disabilities" Web page at www.ccra.gc.ca.



Canada Customs
and Revenue Agency

Agence des douanes
et du revenu du Canada



Canada

Financial · 6