

DISABILITY TAX CREDIT: A DO-IT-YOURSELF GUIDE

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There are a number of companies offering to help people with disabilities get thousands of dollars in compensation from the Canadian government. These companies expect to be paid for something you can easily do yourself for free.

Typically, these companies charge you for assisting you with applying for the Disability Tax Credit (DTC). The DTC is a tax credit that you can apply for if you have a severe and prolonged disability can claim to reduce the amount of income tax you have to pay. Applying for the DTC on your own is **easy and free**. To apply for the DTC, you must have filed your taxes. If you need help filing your taxes, you should see if there are any community organizations near you that will help you with this for free. Then get a copy of Form T2201 on the Canada Revenue Agency (CRA) website (<http://www.cra-arc.gc.ca/disability/>) or by calling 1-800-959-8281. You fill out a short part and then you take the form to your family doctor to complete. Your doctor may charge you a fee to complete the form, but you may be able to claim this fee on your income taxes.

After your doctor returns the form to you, write a short letter asking for "retroactivity of the tax credit." Include a T1 Adjustment Request Form. This form is available as set out above. Submit the Form T2201, the T1 Adjustment Form and the letter asking for retroactivity to the CRA. Once the Canada Revenue Agency receives your form, they will look at any years that you qualified as a person with a disability. This could result in a refund. It is that easy.

If you hire one of these companies to help you get this money, they will take the exact same steps outlined above and often take a large percentage of any refund. If you apply yourself, you receive the entire refund. If you are denied the DTC, you must file a Form T400A within 90 days. The form is available as set out above. If you have already signed an agreement with one of these companies, please contact the Community Advocacy & Legal Centre for information about your options.

Once you qualify for the DTC, you can also open a Registered Disability Savings Plan (RDSP). An RDSP is a savings plan that can help a person with a disability save for the long term financial security. **For RDSP holders under 50, the government may match any contributions made to a certain limit and contribute up to \$1,000 per year even if no contributions are made.** RDSP's are exempt assets for Ontario Works and Ontario Disability Support Program.

There is a new law called the *Disability Tax Credit Promoters Restrictions Act*. This law limits the fees that can be charged for helping someone complete a DTC application. The purpose is to keep more money in the pockets of people with disabilities, where it is most needed. The CRA is holding public consultations about how this law should work. If you are interested in being consulted, you can go to: <http://www.cra-arc.gc.ca/tx/ndvdl/sqmnts/dsblts/prtcptn-eng.html>.

This column, written by staff or volunteer lawyers with the Community Advocacy & Legal Centre (CALC), provides general legal information only about current laws. If you need legal advice you should contact a lawyer. If you are living on a low income you may be eligible for free legal help. Contact your local community legal clinic if you need help with income programs, workers' or tenants' rights, consumer problems, or human rights. Call Kingston Community Legal Clinic at 613-541-0777 or visit www.kclc.ca. If you have a criminal, family or immigration law problem, contact Legal Aid Ontario at 1-800-668-8258 or visit www.legalaid.on.ca.