

The DTC in One Page



Family
Resource
Centres

Disability Tax Credit - an advantage you get when filing your income tax return. This **reduces the amount of income that is taxable**. It can be applied to **your taxes** or to a **supporting person, or even a bit of each**. Although [the amount varies from year to year](#) (indexed for inflation), you can expect to see a reduction in taxable income by **~\$8,000 per year** that you have been approved for, plus an **additional ~\$5,000** supplement if the beneficiary is **17 years of age or younger**.

It is non-refundable, meaning that you pay less tax, but you don't get any money back. CRA (Canada Revenue Agency) will review and adjust tax returns from the date of disability, as approved through the DTC, **up to 10 years back**. Being eligible for the DTC can be a gateway to other qualifying federal, provincial or territorial programs such as the **Child Disability Benefit, the RDSP, and the Canada Workers Benefit**.

The **eligibility** for the DTC:

- Be a Canadian resident. (PR or Citizen/Have a **valid SIN**)
- Be **disabled or slowed** in one or more of the following areas (vision, speaking, hearing, walking, eliminating, feeding, dressing, mental functions for everyday living) **OR** need life-sustaining therapy
 - If it takes you **3X or longer** to do any of the activities listed you may qualify for the DTC
 - If you spend **14 hrs/week** on life-sustaining therapy or have **type 1 diabetes**, you may qualify for the DTC
- The eligibility is **NOT based** on the **diagnosis or condition itself**, but how it affects your **ability to perform "activities of daily living"**.

***While the DTC does provide significant tax equity:
it DOES NOT in any way formally designate or label someone as disabled.***

Your condition will need to be confirmed by your family doctor or a specialist (depending on what criteria you are using to determine your eligibility you may need to see a specialist). There may be a fee from your medical practitioner, however, you may be able to [claim it as a medical expense](#) on your tax return.

You may apply for the DTC at any time during the year, however, if you submit at the same time that you file your tax return, there may be a delay in your assessment. **To avoid possible delays, submit your DTC application before you file your tax return.**

To apply for the DTC, you must submit the T2201 Application. There are 2 options available:

1. [Digital Application](#)
2. [Paper Application](#) (in our experience, this one has a higher success rate)

Part A will be done by the beneficiary or their representative. This part includes **basic information about the applicant** as well as information about any supporting person(s) that you will be transferring credit to. If you want CRA to adjust previous tax returns, you may indicate this in question 3 of this section.

Part B will be completed by the medical practitioner. They will be asked basic information about their practice, patient name & date of birth as well as information on the impairment(s). They will use their best professional judgment to describe in detail how the impairment affects the life of the disabled individual. They will **base their assessment on:** Symptoms reported by the patient, their knowledge of their medical history, direct observations of the patient, and their knowledge of the impairment(s) as they relate to the patient. Since your doctor doesn't have in-depth knowledge of how your everyday life is affected, it is recommended that you **write a letter** or have some background information **on your limitations** that you can supply to the doctor.

Submit the application online or by mail. If you're submitting online, sign in to [MyCRA](#). If you are mailing it, you may send it to the Jonquière, Sudbury, or Winnipeg Tax Centre. **Make sure to keep a copy for your records.** The CRA aims to review your application and send you the **Notice of Determination** within **8 weeks**.



Approved! You will receive the **NOD** that shows what years you are eligible for. You do not need to re-apply every year unless specifically requested by the CRA. This will open the door to other federal and provincial programs such as the [RDSP](#), the [CWB](#), or the [CDB](#).



Denied! You will receive the **NOD** that will explain why. Check a copy of your application, against the reason(s) given. If you see a discrepancy or disagree with the decision, you may re-submit, [appeal the decision](#) with the CRA, or request a review (You may need to submit new or updated medical records or a more thorough description on how the impairment affects you). If you challenge the CRA's decision, you may [file an objection](#) within 90 days.

For more information Contact Stephen Sicoli 825-994-2411