

A Medical Practitioner's Guide to the Disability Tax Credit (DTC)



A guide to help you support patients applying for the
Disability Tax Credit (DTC)

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The Disability Tax Credit (DTC)

What is the DTC?

The Disability Tax Credit (DTC) offers significant benefits for people with disabilities. Medical practitioners play a key role in supporting their patients' applications for the DTC.

The DTC is a non-refundable tax credit administered by the Canada Revenue Agency (CRA) to help with the added costs of having a disability. To apply for the DTC, individuals must submit the Disability Tax Credit Certificate (Form T2201).

The DTC is available to individuals with any level of income—including patients receiving disability assistance, patients who work full time, and patients with no income. Individuals who qualify for the DTC receive a reduction in the amount of taxes they pay and may be eligible for a refund on taxes that they have already paid.

Unused credit amounts can be transferred to one or more eligible family members. An eligible family member is a relative (by birth, marriage, or adoption) that regularly helps financially with food, shelter, and/or clothing. There is no requirement that they live together.

Why should patients apply?

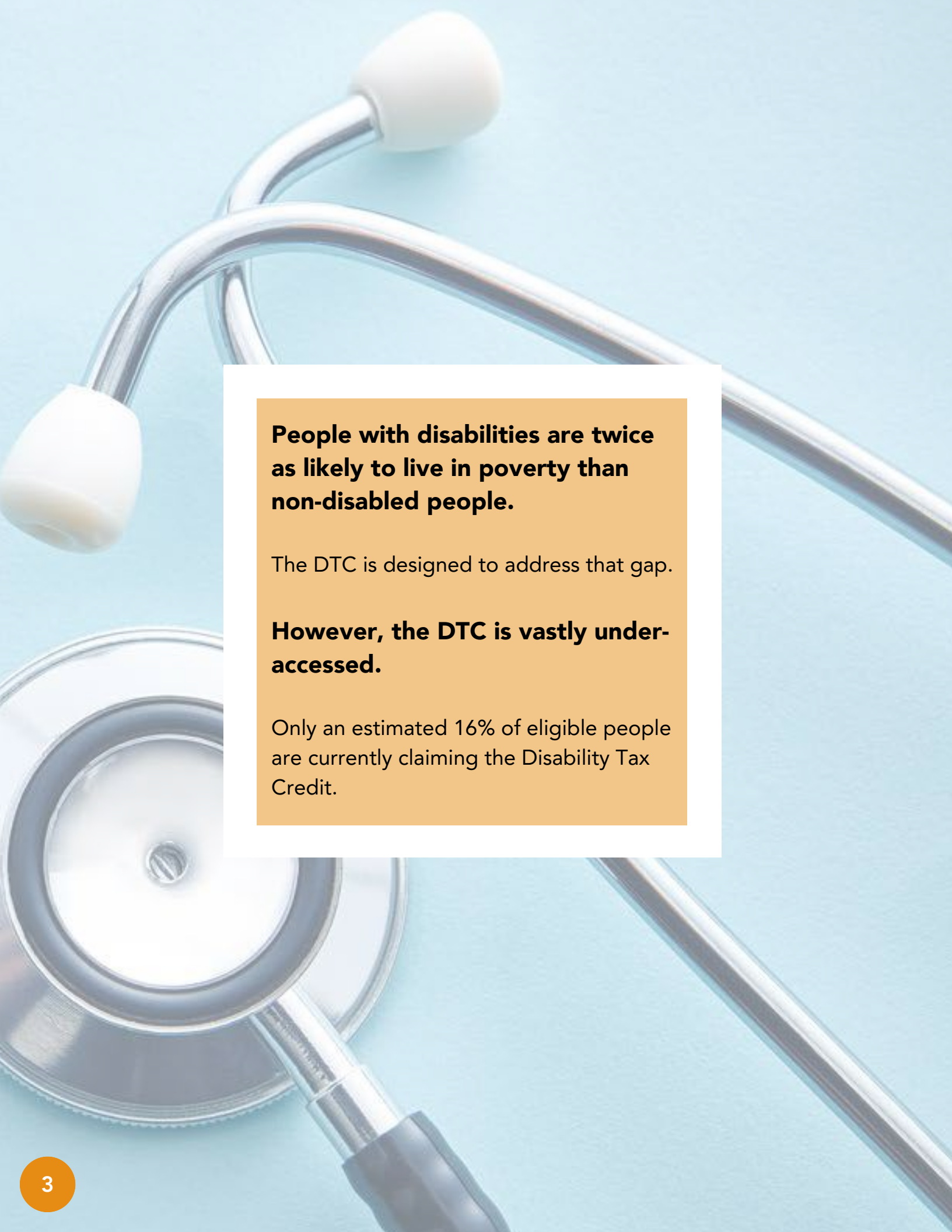
Supporting your patient with the DTC application can help them access significant financial support both for their immediate needs and to save for their financial futures. This can lead to greater health and financial wellbeing.

The DTC helps offset the additional costs of having a disability by reducing the amount of taxes owed. Individuals have the option to claim tax credits up to 10 years retroactively. Unused credit amounts can be transferred to one or more eligible family members who can also retroactively claim the DTC for up to 10 years.

The DTC also provides the pathway to eligibility for many [tax-related benefits and supports](#), including:

- The Registered Disability Savings Plan (RDSP), which can provide up to \$90,000 in government grants and bonds
- The Canada Disability Benefit, which provides up to \$200/month for eligible adults
- The Child Disability Benefit, which tops-up the Canada Child Benefit monthly amount for low-medium income families
- An additional annual refundable disability supplement for the Canada Workers Benefit

Additionally, the DTC incentivizes participation in the workforce because it benefits those who pay income tax.

A close-up, high-angle photograph of a silver stethoscope resting on a light blue surface. The stethoscope's tubing is coiled, and its two white, oval-shaped earpieces are visible. The chest piece, which is circular with a central binaural, is partially visible in the lower-left corner. The lighting is soft, creating gentle shadows and highlights on the metallic surface of the stethoscope.

People with disabilities are twice as likely to live in poverty than non-disabled people.

The DTC is designed to address that gap.

However, the DTC is vastly under-accessed.

Only an estimated 16% of eligible people are currently claiming the Disability Tax Credit.

Eligibility Criteria

To qualify for the DTC, a person's disability must be:

- Prolonged: The disability must last, or be expected to last at least 12 months,
- Severe: The patient is unable or takes an inordinate amount of time to perform the activity, even with appropriate therapy and devices. This restriction must occur all or substantially all the time. There are three different ways that somebody can apply and be considered to have a severe restriction:
 - The patient has a **marked restriction**, meaning they are very restricted in one basic activity of daily living. They either can't do the activity, need a lot of help to do the activity, or take a lot longer to do the activity than most people (3x as long).
 - The patient has a **cumulative effect of significant restrictions** in two or more basic activities of daily living. They are restricted a little less, but in two or more of the activities. The cumulative effect is equal to a marked restriction.
 - The patient receives **life-sustaining therapy** to support a vital function. They are in need of therapy that keeps them alive and also takes up a lot of time (2 days/wk for 14 hrs/wk).

Patients who have a disability in one or more of the following areas may qualify for the DTC:

- Vision (acuity and field of vision)
- Hearing
- Speaking
- Walking
- Dressing
- Eliminating
- Feeding*
- Mental functions necessary for everyday life

Only one severe (marked) restriction is required to qualify. Patients with restrictions in two or more areas of daily living that are less severe may also qualify for the DTC under the cumulative effects of significant restrictions section, since those are equal to a marked restriction.

**Both food preparation and cooking are considered part of this category. Patients who have difficulty standing at the stovetop due to fatigue, struggle to cut vegetables, or find it hard to move a pot of water are considered to have limitations that apply to this category.*

Sample Language:

The patient can prepare food but must take time to recuperate afterward due to pain or inflammation. While the patient can carry out most mental functions, they struggle to initiate or respond appropriately in social interactions due to their acquired brain injury.



Patients may also qualify if they need life-sustaining medical care. This includes patients who require insulin, dialysis, or oxygen therapy. To qualify, the medical care must be:

- needed to support a vital function, even if it only eases symptoms,
- needed at least two times per week, for an average of at least 14 hours per week. These hours can include:
 - reasonable time spent determining dietary intake and/or dosage of medication that must be adjusted daily,
 - medical appointments to receive therapy or to determine the daily dosage of medication, and
 - medically required time for recuperation after therapy.

Please note, some activities, including travel time to therapy, dietary planning and preparation, or exercise not medically required, cannot be counted towards the 14 hours.



Starting in 2021, patients who have type 1 diabetes may automatically qualify for the DTC to offset the costs of ongoing insulin therapy. If patients wish to apply for 2020 or any years prior, they will need to provide more details about the time taken for any relevant activities related to insulin therapy (maintaining a log, testing ketones, etc.).

How Can I Help My Patients?

Medical practitioners are required to fill out Part B on the patient's DTC application form ([form T2201](#)). This section details the patient's restrictions.

Medical doctors and nurse practitioners can fill out all sections of the form, while other health professionals can help their patients certify specific categories, as follows:

- Medical doctor: all sections
- Nurse practitioner: all sections
- Optometrist: Vision
- Audiologist: Hearing
- Occupational therapist: Walking, Feeding, Dressing
- Physiotherapist: Walking
- Psychologist: Mental Functions
- Speech-language pathologist: Speaking

Health professionals may wish to consult or share medical information with one another to get a more comprehensive view of a patient's restrictions.



Key Guidelines for Completing Part B

1) **Focus on Impact, Not Diagnosis:** Eligibility is based strictly on the impact of your patient's conditions on their ability to perform basic activities of daily living. The CRA requires a clear picture of daily struggles; a formal diagnosis is not required for approval.

2) **Report All Restrictions:** Fill out all categories in which your patient is restricted, regardless of severity. Other categories can be left blank.

3) **Cumulative Effects:** If your patient is not markedly restricted in any single category, ensure you fill out the Cumulative Effects of Restrictions section.

Medical Practitioners can complete and submit Part B of the form online or with a hard-copy form.

1) **Hard-Copy Form:** If you prefer to fill out a physical form, you can submit the form through the following methods:

- Mail it directly to the CRA
- Give it to your patient to mail with Part A of their application.

2) **Online Form:** The application can be completed online through the [DTC Digital Application for Medical Practitioners](#).

- **With a Reference Number:** If your patient or their representative has already filled out Part A online, you can submit the application directly using the online portal. Patients who have started their applications will be given a reference number to add on the second page of your online application.
- **Without a Reference Number:** If your patient does not have a reference number, you can still complete the application online. The portal will generate a PDF that you can print or send to your patient to complete and submit independently.

General Application Tips

What type of information is the CRA looking for?

Eligibility for the DTC is not based on diagnosis. This means that patients can qualify even if they do not have a diagnosis. It is more important to specify how someone is restricted in one or more of the categories of daily living.

Information about how your patient's disability affects their ability to work, go to school, drive or manage a bank account is not relevant to the application and should not be included. However, if your patient tells you about restrictions they experience in these areas, it may be helpful to consider how these restrictions translate to other areas of their daily life.

When providing examples of restrictions, compare your patient's functionality to someone their age without their same restrictions. Are they unable to do an activity? Do they take longer to do an activity? Do they need support with an activity from others?

It is very important to use this type of language so that it is clear to the CRA how your patient meets the eligibility criteria. Provide as much detail as possible to help the CRA make their decision. If you don't feel you have a good understanding of how your patient's condition impacts their daily life, ask them follow up questions.

Disability Alliance BC has a tool that can provide sample language for the medical portion of the DTC form: mydtc.dabc.ca/tool

General Application Tips

What sections might your patient qualify under?

While completing the application, you will be asked to list all the categories in which your patient is restricted. Be sure to ask your patient about each of the categories that are listed. Patients with multiple or complex health conditions may forget to mention some of the difficulties that they have.

It is important to include all applicable categories, as many patients will qualify under the *Cumulative Effects of Significant Restrictions* category. Even if your patient can do a specific task, indicating that they may take longer to do it shows how a restriction affects your patient in their day-to-day life. Be sure to list all their restrictions, regardless of severity.

Many patients have restrictions or difficulties with Activities of Daily Living that are not listed as questions on the form. Please include specific details regarding their symptoms and impairments.

Sample Language:

"The patient experiences flare-ups at least weekly where they are unable to get out of bed, prepare or consume food, and take care of their hygiene. When the patient is not experiencing a flare-up, they must diligently preserve their energy to prevent a worsening of symptoms. This includes always showering only once/week, relying on ready-made meals and skipping at least one meal/day, having their partner make and help them attend medical appointments and treatments, and spending the majority of their day resting."

Does your patient take medication or receive therapy?

These questions help the CRA better understand your patient's condition and whether their restrictions will improve. Your responses may affect the duration of their eligibility, but have a minimal impact on eligibility itself.

Each category begins by asking whether your patient takes medication or receives therapy for their condition. Some sections, including *Vision* or *Hearing*, may also ask you to provide results for specific tests, including audiograms, visual acuity measurements, or word discrimination scores.

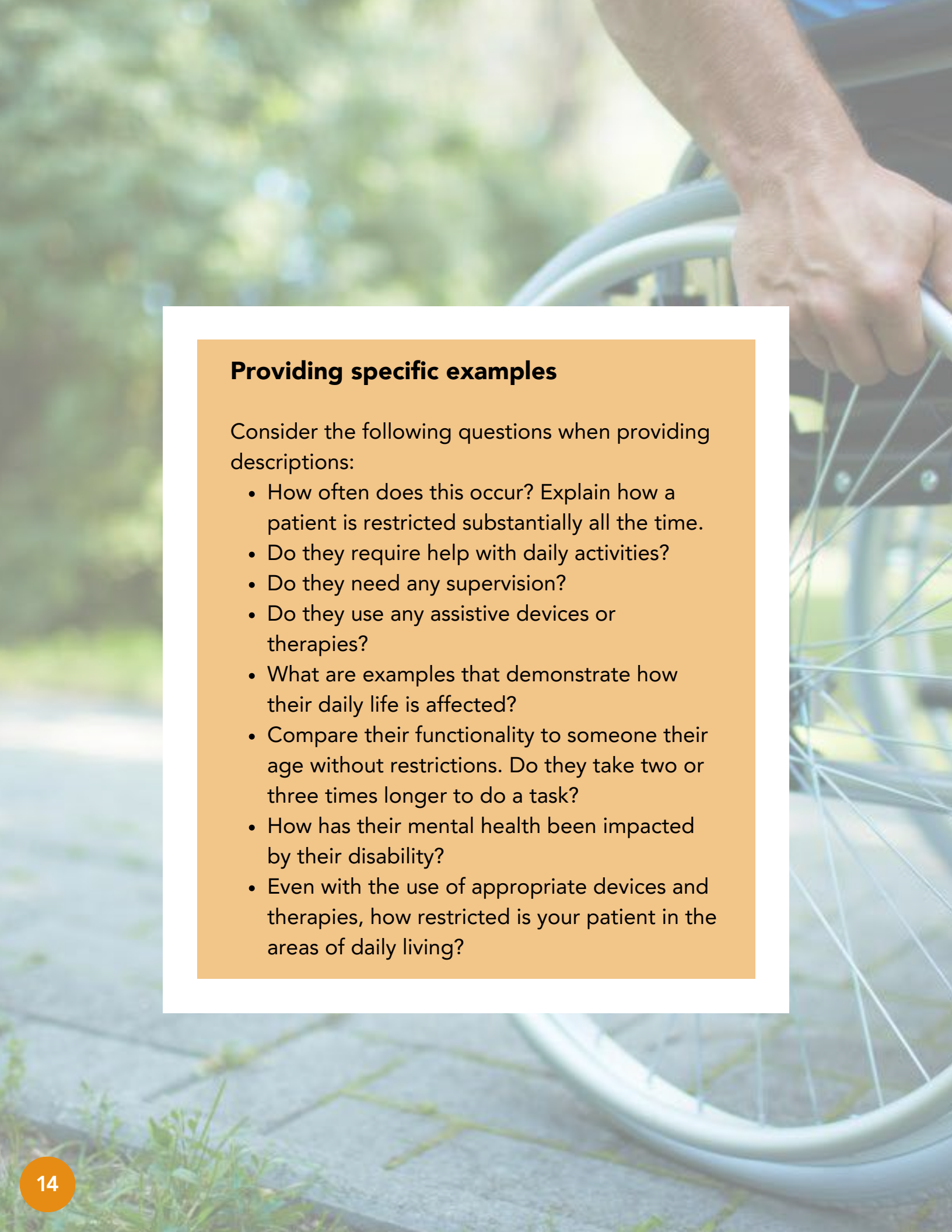
How does the CRA assess if a patient has a marked restriction?

At the end of each section, the CRA will ask you to evaluate your patient's functionality without the use of medication, therapies, and/or devices. These questions are crucial for the CRA's assessment of the application.

If your patient cannot complete an activity, or if it takes them a very long time to do so, they will be considered markedly restricted. To qualify as a marked restriction, it must also occur "substantially all the time".

Compare your patient to someone the same age without restrictions to determine theirs.

If your patient has difficulty performing an activity, but it does not take them a long time or the restriction is not as severe, this is considered a significant restriction. A patient must be significantly restricted in one or more areas of daily living, which combined is considered the same as one marked restriction, to be approved under the *Cumulative Effects* category.

A close-up photograph of a person's hand gripping a bicycle handlebar. The background is a blurred outdoor scene with green foliage and a paved path. The image is used as a background for the text overlay.

Providing specific examples

Consider the following questions when providing descriptions:

- How often does this occur? Explain how a patient is restricted substantially all the time.
- Do they require help with daily activities?
- Do they need any supervision?
- Do they use any assistive devices or therapies?
- What are examples that demonstrate how their daily life is affected?
- Compare their functionality to someone their age without restrictions. Do they take two or three times longer to do a task?
- How has their mental health been impacted by their disability?
- Even with the use of appropriate devices and therapies, how restricted is your patient in the areas of daily living?

Tips on Filling Out the Application

Mental functions necessary for everyday life

Patients may qualify under the *mental functions necessary for everyday life* category if they are markedly restricted (they have very limited capacity) in any of the following:

- adaptive functioning
- attention
- concentration
- goal setting
- judgement
- memory
- perception of reality
- problem solving
- regulating behaviour and emotions
- verbal and non-verbal comprehension

People whose mental health impairments are characterized by periodic episodes may qualify if they are restricted substantially all of the time due to the unpredictability of their condition(s).

Sample Language:

"Even with the support from caregivers, medication, and therapies, the patient always takes an inordinate amount of time to complete the mental functions necessary for daily life."

Tips on Filling Out the Application

They may also qualify if the Cumulative Effects of Significant Restrictions in any of the above mental functioning areas and/or any significant restrictions in any of the physical categories is equal to a marked restriction.

When writing descriptions, be sure to include details and examples, such as:

- a need for assistance
- an inability to manage personal care
- a risk of self-harm/suicide
- the effect on social relationships (peers and family members)
- a need for repeated instructions or cues
- impulsivity

Sample Language:

"The patient takes three times as long to understand and process verbal information, often needing to ask for clarifications or to have the information repeated. The patient is not able to retain new information and instructions, requiring the use of digital and paper note-taking tools."

Certification

At the end of the application form, the CRA will ask how long you have been seeing your patient and if you can certify the information for each year that they are applying. This will help determine any retroactive tax credit amounts that they may be owed.

Back-dating your patient's DTC application to when their significant restrictions began will allow patients to claim significant disability-related benefits retroactively for up to 10 years. For example, a patient with the RDSP, which needs DTC approval to qualify, could receive up to \$10,000 in bonds and \$35,000 in grants retroactively. Additional refundable tax credits and payments that offer financial relief, including the Canada Worker's Benefit Disability Supplement and Child Disability Benefit, can also be claimed retroactively.

Consider reviewing and verifying your patient's medical records and certifications to maximize their benefits. If you do not feel comfortable certifying information for the years before they became your patient, they will receive the DTC starting from the year they became your patient. You may wish to consult medical practitioners your patient has seen previously if you are missing information for any years in which your patient is applying.

Additional Questionnaire

The CRA may request additional information on the patient in a follow-up questionnaire. In this questionnaire, the CRA may ask you to:

- provide examples from your patient's life, explaining how they require additional time to perform activities or cannot complete certain activities, or
- verify that your patient experiences their restriction(s) substantially all the time and that the restrictions are severe.

You may also need to re-submit the information that you already provided.

Please use our guidelines in the [General Application Tips](#), and [Tips On Filling Out the Application](#) sections to assist you in completing the questionnaire. It is important that you do not contradict the information submitted in the application and that you provide more detail and examples as requested.



Access RDSP Resources

The Access RDSP partnership between Plan Institute, Disability Alliance BC (DABC), and the BC Aboriginal Network on Disability Society (BCANDS) provides the following free support and services for medical practitioners and your patients.

RDSP and DTC Info Sessions for individuals, organizations, and professionals:

All Access RDSP partners offer info sessions and training for patients, families, organizations, and health professionals. If you're interested in collaborating with one or all of the Access RDSP partnering organizations, please get in touch by calling 1-844-311-7526 or by emailing info@rdsp.com.

Please note, all the services from each organization below are free of charge.

Support through Plan Institute

- [Disability Planning Helpline](#), one-on-one support for any disability planning consideration including the DTC & RDSP:
 - Email: helpline@planinstitute.ca
 - Toll-free: 1-844-311-7526
- [RDSP.com](#), a website that includes an RDSP calculator, tutorial, and guides for medical practitioners
- [CanadaDisabilityBenefit.ca](#), a website that provides up-to-date information and resources on the Canada Disability Benefit.

Access RDSP Resources

Support through BCANDS

- [One-on-one support for Indigenous patients](#) to access the DTC & RDSP:
 - Email: rdsp1@bcands.bc.ca
 - Toll Free: 1-888-815 -5511

Support through DABC/Disability Alliance Canada

- One-on-one support for patients to access the DTC:
 - For patients in British Columbia:
 - Email: dtc@dabc.ca
 - Toll-free: 1-800-663-1278
 - For patients across Canada:
 - Email: dtc@disabilityalliancecanada.ca
 - Phone: 604-606-4160
- [DABC DTC Tool](#), a questionnaire to help patients figure out their eligibility for the DTC. Their responses can help you fill out their DTC form.
- [DABC BC Disability Benefits Help Sheets](#), self-help guides that explain various benefits and programs and how to apply for them. Several of the Help Sheets have been translated into Arabic, Persian, Punjabi and Spanish.

More Resources

Tools from Prosper Canada

- [Disability Benefits Compass](#), a tool for patients with disabilities to find out which disability benefits they may be eligible for.
- [Benefits Wayfinder](#), a tool for patients can find out which benefits they may be eligible for.

The Canada Revenue Agency (CRA) Resources

- [Disability-Related Information \(2023\)](#).
- [Tax credits and deductions for persons with disabilities](#)
- The CRA provides a dedicated telephone line for health care providers to discuss the DTC, application criteria, and the Income Tax Act.
1-800-280-2639

**Access RDSP is a partnership between the
BC Aboriginal Network on Disability
Society (BCANDS) Disability Alliance BC
(DABC) and Plan Institute.**

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**We would like to extend our gratitude to
The Vancouver Foundation for their generous support of
the Access RDSP program.**



**We would also like to extend our gratitude to
Doctors of BC for their collaboration on *A Medical
Practitioner's Guide to the Disability Tax Credit (DTC)*.**

