

Non-refundable tax credits

Non-refundable tax credits are amounts that reduce the income tax you may have to pay.

Disability tax credit

A person with a severe and prolonged impairment in physical or mental functions may be eligible for the disability tax credit (DTC). Once they are eligible for the DTC, the disability amount could be claimed on the tax return.

Being eligible for the DTC can allow you to claim certain deductions, credits, and benefits, which are mentioned in this guide.

Definitions and criteria

The following definitions and criteria are used for the DTC. They will help you understand eligibility for the credit and how to apply.

Basic activities of daily living – The basic activities of daily living are:

- speaking
- hearing
- walking
- eliminating (bowel and bladder functions)
- feeding
- dressing
- mental functions necessary for everyday life

Effects of impairment – The effects of impairment must be such that, even with therapy and the use of appropriate devices and medication, you are restricted at least 90% of the time.

Notes

For a patient with a walking impairment, the medical practitioner might state the number of hours spent in bed or in a wheelchair each day because of the impairment.

For a patient with an impairment in mental functions necessary for everyday life, the medical practitioner might describe the degree to which their patient needs support and supervision.

Inordinate amount of time – This is a clinical judgment made by a medical practitioner who observes a recognizable difference in the time it takes a person to do an activity. Usually, this equals 3 times the average time needed to complete the activity by a person who does not have the impairment.

Life-sustaining therapy – You must meet **both** of the following criteria:

- The therapy is needed to support a vital function, even if it eases the symptoms.
- The therapy is needed at least **3 times** per week, for an average of at least **14 hours** per week.

You must dedicate time for the therapy – that is, you have to take time away from your normal, everyday activities to receive it. It includes the time you need to set up a portable device.

If your therapy requires a regular dosage of medication that needs to be adjusted daily, the time spent on activities directly related to determining the dosage and administering the medication can be counted in the 14 hours per week requirement. For example:

- checking blood glucose levels
- preparing and administering the insulin
- calibrating necessary equipment
- testing ketones
- keeping a log book of blood glucose levels

If a child cannot do the activities related to the therapy because of their age, the time spent by the child's primary caregivers to do and supervise these activities can be counted in the 14 hours per week requirement. For example, for a child with Type 1 diabetes, supervision includes:

- having to wake the child at night to test their blood glucose level
- checking the child to decide if more blood glucose testing is needed (during or after physical activity)
- other supervisory activities that can reasonably be considered necessary to adjust the dosage of insulin

However, some activities **do not** count in the 14 hours per week requirement, such as:

- the time a portable or implanted device takes to deliver the therapy (such as an insulin pump, a CPAP machine, or a pacemaker)
- activities related to dietary restrictions or regimes, even when these activities are a factor in determining the daily dosage of medication (such as carbohydrate calculation)
- activities related to exercising, even when these activities are a factor in determining the daily dosage of medication
- travel time to receive the therapy
- going to medical appointments (other than appointments where the therapy is received)
- buying medication
- recuperation after therapy

Markedly restricted – You are markedly restricted if you are unable or it takes you an inordinate amount of time to do one or more of the basic activities of daily living, even with therapy (other than therapy to support a vital function) and the use of appropriate devices and medication. This restriction must be present all or substantially all of the time (at least 90% of the time).

Medical practitioner – For the DTC, the medical practitioners who can certify an impairment are:

- medical doctors
- nurse practitioners

- optometrists
- audiologists
- occupational therapists
- physiotherapists
- psychologists
- speech-language pathologists

Prolonged – An impairment is prolonged if it meets **one** of the following criteria:

- has lasted for a continuous period of at least 12 months
- is expected to last for a continuous period of at least 12 months

Significantly restricted – This means that although you do not quite meet the criteria for “markedly restricted,” your vision or ability to do a basic activity of daily living is still greatly restricted all or substantially all of the time (at least 90% of the time).

Who is eligible for the DTC?

For you to be eligible for the DTC, a medical practitioner must certify that you have a severe and prolonged impairment in physical or mental functions. The medical practitioner also needs to describe the effects of the person’s impairment. Eligibility for the DTC is based on the effects of the impairment, not on the medical condition itself.

If you receive Canada Pension Plan or Quebec Pension Plan disability benefits, workers’ compensation benefits, or other types of disability or insurance benefits, it **does not** necessarily mean you are eligible for the DTC. These programs have other purposes and different criteria, such as an individual’s inability to work.

You can fill out the self-assessment questionnaire on the next page to find out if you may be eligible. This questionnaire does not replace Form T2201, Disability Tax Credit Certificate.

Note

Your answers may show that you are not eligible for the DTC. However, you can still send an application.