

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.

For individuals who do not pay a significant amount of income taxes, unused credit amounts can be rolled over to an eligible family member. An eligible family member is considered as someone who regularly helps financially with food, shelter, or clothing.

Why should patients apply?

The DTC can help reduce the amount of taxes owed.

- In 2023, the Disability Amount, the amount that can be claimed as a credit on a tax return, was \$9,428. Those with children with disabilities could claim \$9,428 as well as an additional \$5,500 supplement.
- Individuals have the option to claim tax credits up to 10 years retroactively.
- If someone does not owe income tax, they can roll over unused credit amounts to a family member or spouse.

The DTC provides the pathway to eligibility for many [tax-related benefits and supports](#), including an additional disability supplement for the Canada Workers Benefit, the Child Disability Benefit, and the Registered Disability Savings Plan (RDSP), as well as the upcoming Canada Disability Benefit (CDB). These provide both short-term and long-term financial support, offering your patients respite from the additional financial burdens of having a disability.

People with disabilities face additional barriers to securing and maintaining employment. The DTC incentivizes participation in the workforce because it benefits those who pay income tax. There are also additional tax credits connected to the DTC available to people who are working (e.g. the Canada Workers Benefit disability supplement).

By helping patients apply for the DTC, you are supporting them in receiving immediate financial relief, as well as in saving for their financial futures.

A close-up photograph of a silver stethoscope with white earbuds, resting on a light blue textured surface. The stethoscope is positioned diagonally across the frame, with the chest piece in the lower-left and the earbuds in the upper-right. A white rectangular box with an orange background is overlaid on the right side of the image, containing text.

Why are RDSPs important for healthcare providers?

The RDSP was designed in response to the additional difficulties faced by people with disabilities in saving money for their future and retirement. Individuals under the age of 50 with an RDSP could qualify for up to \$90,000 in government grants and bonds to support their long-term financial security.

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, or
- 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.



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 two or more restrictions that are less severe may also qualify for the DTC if the cumulative effects of their significant restrictions 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.*

Example:


Your patient can prepare food but must take time to recuperate afterward due to pain or inflammation. They can carry out most mental functions but 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 functionality.

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



Medical practitioners can fill out Part B of the form either through a hard-copy form, or online.

1) Hard-Copy Form

- The form will include sections for each category. Fill all categories in which your patient is restricted, regardless of severity. Other categories can be left blank. If your patient is not markedly restricted in any single category, be sure to fill in the *Cumulative Effects of Restrictions* section.
- Eligibility is not based on diagnosis, but on the impact of a person's condition/s on their ability to perform basic activities required for daily living. The CRA is looking for a clear picture of what your patient struggles with on a day-to-day basis, and a diagnosis is not required for approval.

2) Online Form

- The application can be found online at:
<http://www.canada.ca/dtc-digital-application>
 - If your patient or their representative have already filled in Part A online with the CRA, you can submit the application using the online portal. Patients who have already started their applications will be given a reference number that you can add on the second page of the online application.
 - If your patient does not have a reference number, or has not already completed Part A, you can still complete the application online. The online portal will generate a PDF that you can print or send to your patient to complete and submit independently.

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.

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 resting on the silver metal rim of a wheelchair wheel. The background is a soft-focus outdoor scene with green foliage and a paved path. The text is overlaid on a semi-transparent orange rectangular box.

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?
- 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?

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

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

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).

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.



Access RDSP Resources

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

Tools for your patient

➤ [DABC DTC Tool](#)

This questionnaire will 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](#)

These self-help guides 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.

➤ [Disability Benefits Compass](#)

In a few simple steps, patients with disabilities can find out which disability benefits they may be eligible for.

➤ [Benefits Wayfinder](#)

In a few simple steps, patients can find out which benefits they may be eligible for.

➤ [RDSP Calculator](#)

Patients can use this tool to find out how much they could receive through personal and government contributions if they open an RDSP.

Tools for medical practitioners and patients:

British Columbia-specific support:

- One-on-one DTC and RDSP support with DABC:
 - Email: rdsp@dabc.ca
 - Toll-free: 1-800-663-1278

- One-on-one DTC and RDSP support for Indigenous patients with BCANDS:
 - Email: rdsp1@bcands.bc.ca
 - Toll Free: 1-888-815 -5511

National support through Plan Institute:

- Disability Planning Helpline, which includes support for the DTC and RDSP:
 - Email info@rdsp.com
 - Toll-free 1-844-311-7526

- RDSP.com, a website that includes an RDSP calculator, tutorial, and guides for medical practitioners:
 - rdsp.com

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

- 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.

More Resources

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
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We would also like to extend our gratitude to
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doctors
of bc