

# **Information Concerning People with Disabilities**

**Includes Form T2201**

# **1999**

## As of November 1, 1999, Revenue Canada became the Canada Customs and Revenue Agency.

### Is this guide for you?

This guide is intended for people with disabilities, and anyone supporting them. It provides information on:

- the services we provide for people with disabilities;
- the programs we administer;
- the deductions and credits you may be able to claim on your return;

- the goods and services tax/harmonized sales tax (GST/HST); and
- the *Customs Tariff*.

We have outlined in red in this guide some of the major changes for 1999. For more details on these and other deductions and credits that you may be entitled to, see your income tax guide.

Visually impaired persons can get information on services available to them, and can order publications in braille or large print, or on audio cassette or computer diskette, by calling **1-800-267-1267** weekdays from 8:15 a.m. to 5:00 p.m. (Eastern Time).

### Your opinion counts!

We review this guide each year. If you have any comments or suggestions that would help us improve the explanations it contains, we would like to hear from you. Please send your comments to:



Client Services Directorate  
Canada Customs and Revenue Agency  
400 Cumberland Street  
Ottawa ON K1A 0L5

La version française de cette publication est intitulée *Renseignements concernant les personnes handicapées*.

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## Services for people with disabilities

### The Community Volunteer Income Tax Program

Each year, through the Community Volunteer Income Tax Program, individuals, community organizations, and associations across Canada help people complete their returns, free of charge. Volunteers are specially trained by us, and are available to help you complete your return. The program is designed to help low income people with simple tax situations. If you could benefit from a volunteer's help, get in touch with us. Call **1-800-959-8281** for information about this free program.

### Help for people who have a hearing or speech impairment

If you have a hearing or speech impairment you can use an operator-assisted relay service to contact us through the regular enquiry lines.

In most cases, if you give us 48 hours notice, we can arrange to have a sign language interpreter available at an interview or meeting.

### Do you use a teletypewriter?

A teletypewriter (TTY) is a machine that allows the user to communicate by transmitting a typed message over the telephone. If you have access to a TTY, you can get information by calling our toll-free number. You cannot use our TTY line unless you have a TTY machine attached to your telephone. Our bilingual TTY service is available weekdays year round, as well as evenings during the income tax filing season.

Before placing your call, please check the time zone for your area.

The toll-free TTY number for information is **1-800-665-0354**. Agents are available Monday to Friday (except holidays) from 8:15 a.m. to 5:00 p.m. (local time) year round. From February 21 to April 30, this has been extended to 10:00 p.m. weekdays, and from 9:00 a.m. to 1:00 p.m. on weekends.

### Help for people who are visually impaired

If you are visually impaired, you can get most publications and forms related to the filing of your return in an alternative format.

The alternative formats available are braille, large print, audio cassette, or computer diskette. These publications are available all year, but in order for you to receive your alternative format publications on a timely basis during the income tax filing period, we need to have your request as early as possible. In addition, if you have difficulty completing a regular print return, you can file returns in braille, large print, and on computer diskette. Copies of alternative format returns are available on request.

You can get information about these services and order alternative format publications by calling us toll free at **1-800-267-1267** Monday to Friday from 8:15 a.m. to 5:00 p.m. (**Eastern Time**).

If you need help to complete a return, you can visit the enquiries counter of any tax services office. Our staff will read and explain relevant income tax material to you.

### Internet access

If you have access, you can find most of our publications at [www.ccra-adrc.gc.ca](http://www.ccra-adrc.gc.ca) on the Internet.

If you prefer, we have a separate Web page designed to provide easy access to our publications and forms dealing with information concerning people with disabilities. The address for this page is: [www.ccra-adrc.gc.ca/disability](http://www.ccra-adrc.gc.ca/disability)

### Reducing barriers

The preceding sections outlined how we are using telecommunications and other media to provide easier access to our services. We are also looking at ways to make our premises more accessible. For example, we have provided ramps and other aids for easier access to most of our buildings.

As well, we have changed the way people can make enquiries in person so that undue physical demands are not imposed. We have also improved seating areas for people who are

waiting to speak to our employees. For instance, we offer help to people with physical disabilities to get to a place to sit down comfortably with one of our officers.

## Income tax information

**I**n this section, we describe the deductions and credits people with disabilities, or anyone supporting them, may be able to claim on their 1999 returns. You will note that we use the terms “spouse” and “qualified person” throughout this guide. These terms are defined below.

**Spouse** – For tax purposes, you have a spouse when you are legally married, or living common law with someone (see below). You still have a spouse if you are living apart for reasons other than a breakdown in your relationship.

**Living common law** – This applies when you live and have a relationship with a person of the opposite sex to whom **any** of the following applies. He or she:

- is the natural or adoptive parent (legal or in fact) of your child;
- has been living common law with you for at least 12 continuous months; or
- lived with you previously as your spouse for at least 12 continuous months.

The above includes any period that you were separated for less than 90 days because of a breakdown in the relationship.

**Qualified person** – For purposes of the disability amount, the term “qualified person” means a person authorized to practise as a medical doctor, optometrist, audiologist, psychologist, or occupational therapist.

### The disability amount

#### What is the disability amount?

The disability amount is a non-refundable tax credit that reduces the amount of income tax people with disabilities, or people supporting them, may have to pay.

To find out if you may be eligible to claim the disability amount, read the information portion of Form T2201, *Disability Tax Credit Certificate*, which is included in this guide.

#### Who can claim the disability amount?

If you qualify, you, as a person with a disability, can claim the disability amount on your return. Your spouse or another supporting person may be able to claim the part of the amount that you do not need to use to reduce your federal income tax to zero.

For more information, please see the section called “Transferring the unused part of the disability amount,” on the next page.

If you or anyone else paid for an attendant or for care in a nursing home or other institution because of your impairment, it may be more beneficial to claim the amounts paid as medical expenses instead of the disability amount. In some circumstances, both amounts may be claimed. See “Options” on page 10 for more information.

#### Claiming the disability amount for yourself

You should use the latest version of Form T2201, *Disability Tax Credit Certificate*, to claim the disability amount. If you use an old version, your claim may be delayed. This guide contains a copy of the latest version of Form T2201. You can get more copies from us.

If you were allowed the disability amount last year, and you still meet the eligibility requirements this year, you can claim the amount this year without sending us another Form T2201. However, you have to send us one if the period stated on the original Form T2201 ended last year, or if we ask you to do so.

If this is your first claim, or if you have to complete a new form, please follow these instructions:

- You or your representative have to fill out Part A of Form T2201. It is very important that this part of the form be completed correctly. Then, ask a qualified person to complete Part B. See the heading “How to complete this form” on the Form T2201 contained in this guide, for more details about who can complete Part B.
- **You are responsible for paying any fees related to this credit that a qualified person might charge. Provincial medicare plans do not cover these fees.**
- If a qualified person certifies you as meeting the eligibility requirements, you can claim the disability amount on your return.
- Attach the completed Form T2201 to your return. If the form is not completed properly, your claim may be denied.

Form T2201 is only valid when a qualified person has completed Part B of the form, certified that you meet the eligibility requirements, and signed it. We will accept a photocopy of Form T2201 if the qualified person’s signature is an original. We will not accept a photocopy of the signature.

#### Note

If your impairment ended in the year, you may be able to claim the disability amount if the impairment lasted for a continuous period of at least 12 months.

### Transferring the unused part of the disability amount

You, as a person with disabilities, may not need all of the disability amount to reduce your federal income tax to zero. In that case, your spouse or supporting person may be able to claim the unused part of the amount.

Generally, a supporting person has to be related to the person with disabilities by blood, marriage, or adoption. For this purpose, we will consider you to be a supporting person related to a person with disabilities if that person is any of the following:

- completely dependent on you for support now, and you have custody and control of the person with disabilities or did have custody and control of the person immediately before that person turned 19 years of age;
- your natural or adopted child;
- your spouse’s child; or
- your child’s spouse.

More than one supporting person may make a claim for the same dependant. However, the total amount claimed by all supporting persons for that dependant cannot be more than the unused part of the amount.

A supporting person can claim the unused part of the amount only if the spouse of the person with disabilities is **not** already claiming the disability amount or any other non-refundable tax credit (other than medical expenses) for that person. If this is the first claim, a copy of the properly completed and certified Form T2201, *Disability Tax Credit Certificate*, for the person with disabilities has to be attached to the supporting person’s return. If the first claim is accepted, later claims can be made without attaching another Form T2201 unless the circumstances change, or unless we ask for it.

Please see your income tax guide for more information about who can claim the unused part of the disability amount.

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#### Example

John has employment income and lives with his mother. He qualifies for the disability amount for the year. John fills out Part A of Form T2201, *Disability Tax Credit Certificate*, and his medical doctor completes and signs Part B.

John’s taxable income is \$8,000. He claims the basic personal amount for the year, and the personal amount supplement, as well as his Canada Pension Plan contributions and Employment Insurance premiums. In addition, he can claim the disability amount for the year.

After he calculates his non-refundable tax credits on his return, he finds that he only needs to use part of the disability amount to reduce his federal income tax to zero.

John's mother can claim the part of the disability amount John did not use. To substantiate their claims, John should attach the original completed and certified Form T2201 to his return and his mother should attach a copy of John's completed and certified Form T2201, containing an original signature of the qualified person, to her return.

#### Note

Generally, a supporting person has to be related to you by blood, marriage, or adoption. In the above example, John is completely dependent upon his mother. She is the only person who can claim the part of the disability amount John did not use.

However, if John were completely dependent on a different person for support now (whether that person is older or younger than John), and that person has custody and control of John or did have custody and control of John immediately before John turned 19 years of age, then that person is considered to be related to John and could claim the part of the disability amount John did not use.

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## Do we check your claim?

Yes. We are responsible for checking the accuracy of your claim. In doing so, we may also get advice from a medical advisor about whether you, or the person for whom you are claiming the disability amount, meets the eligibility criteria. Therefore, we may contact you, the person with the disability, or the qualified person who completed Part B of Form T2201, *Disability Tax Credit Certificate*, for more information.

If you are making a new application for this amount, we will review your claim to determine whether you are eligible before we assess your return. Once approved, you will be able to claim this amount, as long as your circumstances do not change.

## Amounts for infirm dependants age 18 or older

You can claim an amount for your or your spouse's dependent child or grandchild only if that child or grandchild was **mentally or**

**physically infirm** and was **born in 1981 or earlier**.

You can also claim an amount for a person who meets **all** of the following conditions. The person must have been:

- your or your spouse's parent, grandparent, brother, sister, aunt, uncle, niece, or nephew;
- born in 1981 or earlier;
- mentally or physically infirm;
- dependent on you, or on you and others for support; and
- living in Canada at any time in the year.

#### Notes

A parent includes someone on whom you were completely dependent and who had custody and control of you when you were under 19 years of age.

A child can include anyone who has become dependent on you, even if he or she is older than you.

If someone else is claiming an equivalent-to-spouse amount on his or her return for the same dependant, you cannot claim this amount for that dependant.

If you are claiming an equivalent-to-spouse amount for a dependant who is infirm and age 18 or older, you may also be able to claim this amount for that dependant. See your income tax guide for more information.

If you were required to make child support payments for that child, you cannot claim this amount for that child. However, if you separated in 1999 due to a breakdown in your relationship, some special rules apply. For details, get the pamphlet called *Support Payments*.

## Claims made by more than one person

If you and another person support the same dependant, you can split the claim for that dependant. However, the total of your claim and the other person's claim cannot be more than the maximum amount allowed for that dependant.

If your dependant's net income, or the amount that would be your dependant's net income if he or she filed a return, is more than \$4,441, it may be better for you to claim the caregiver amount. See "Caregiver amount" on this page for more information.

#### **Tax Tip**

If your dependant qualifies for the disability amount, you may be able to claim all or part of that amount.

## Caregiver amount

If, during the year, you (either alone or with another person) maintained a dwelling where you and a dependant lived, you may be able to claim the caregiver amount. The dependant must have been one of the following individuals:

- your child or grandchild;
- your brother, sister, niece, or nephew, parent, or grandparent (including in-laws) who was resident in Canada; or
- your aunt or uncle who was resident in Canada.

In addition, the dependant must have met **all** of the following conditions. The person must have:

- been 18 or over at the time he or she lived with you;
- had a net income (or would have had a net income if he or she filed a return) of less than \$13,853; and
- been dependent on you due to mental or physical infirmity or, if he or she is your parent or grandparent (including in-laws), born in 1934 or earlier.

**Claims made by more than one person** – If you and another person support the same dependant, you can split the claim for that dependant. However, the total of your claim and the other person's claim cannot be more than the maximum amount allowed for that dependant.

You cannot claim this amount for a dependant if **anyone** claims an amount for infirm dependants age 18 or older for that dependant or **anyone other than you** claims an

equivalent-to-spouse amount for that dependant. This means **you** can claim this amount **and** the equivalent-to-spouse amount for the same dependant.

## Attendant care expenses

You can claim the expenses you paid for personal attendant care that allowed you to earn certain income if **all** of the following conditions apply:

- you are entitled to claim the disability amount for yourself;
- you paid the expenses for care in Canada so you could earn income from employment or from a business (in which you were actively involved), or carry on research or similar work for which you received a grant;
- the attendant was not your spouse and was at least 18 years of age at the time you made the payments; and
- no one has claimed the payments as medical expenses.

#### **Notes**

If you hired a caregiver to provide you with assistance with your daily tasks, you will probably be considered to be the employer of the person you have hired to help you. You can get more information about your responsibilities as an employer by consulting the pamphlet *Employee or Self-Employed?*, the employers' guide entitled *Payroll Deductions (Basic Information)*, or by contacting us. Deemed or factual residents can claim amounts paid for care outside Canada.

To calculate the amount you can claim, get Form T929, *Attendant Care Expenses*, from us.

## Medical expenses

You can claim allowable medical expenses you or your spouse paid for **any** of the following persons:

- yourself;
- your spouse;
- your or your spouse's children or grandchildren who depended on you for support; and

- your or your spouse's parent, grandparent, brother, sister, uncle, aunt, niece, or nephew who lived in Canada at any time in the year and depended on you for support.

You can claim allowable medical expenses paid in any 12-month period ending in 1999 and not claimed in 1998. Generally, you can claim all amounts paid, even if they were not paid in Canada.

Your total expenses have to be more than either \$1,614 or 3% of your net income, whichever is less.

In addition, there is a refundable tax credit for working individuals with low incomes and high medical expenses. See "Refundable medical expense supplement" on page 13 for more details.

#### **Tax Tip**

It may be better for the spouse with the lower net income to claim the allowable medical expenses. Compare your credit with the credit your spouse would be allowed. You can make whichever claim you prefer.

### **Allowable medical expenses**

Under proposed changes, you can claim amounts paid for the following:

- If you paid fees to a group home in Canada for individuals who qualify for the disability amount the part of those fees paid to someone to care for or supervise such an individual, if nobody has claimed it as an attendant- or institutional-care medical expense, a child care expense, or an attendant care expense.
- Therapy provided for a person who qualifies for the disability amount by someone who is neither under 18 nor your spouse. This does not include amounts paid to a medical practitioner, such as a qualified therapist, because these amounts are already allowable as medical expenses. The therapy has to be prescribed and supervised by a doctor, a psychologist (in the case of a mental disability), or an occupational therapist (in the case of a physical disability).

- Tutoring that a medical practitioner certifies as necessary because of a person's learning disability or mental impairment, by someone who is in the business of providing such services to the public.
- "Talking textbooks" prescribed by a medical practitioner for someone who has a perceptual disability and is enrolled in an educational institution in Canada.

The following are other examples of medical expenses you can claim:

- payments to a doctor, dentist, nurse, or public or licensed private hospital;
- payments for artificial limbs, wheelchairs, crutches, hearing aids or personal assistive listening devices, prescription eyeglasses, contact lenses or personal assistive visual devices, dentures, pacemakers, prescription drugs, and many prescription medical devices;
- expenses for guide and hearing-ear dogs;
- premiums paid under the *Quebec Medical Insurance Plan*, and premiums paid to private health services plans (other than those paid by an employer);
- the purchase and installation of outdoor or indoor ramps where stairways impede the mobility of a person with disabilities;
- the enlarging of halls and doorways to allow a person with disabilities access to the various rooms of their dwelling;
- the lowering of kitchen or bathroom cabinets to allow a person with disabilities access to them;
- 20% of the cost of a van that has been adapted (or is adapted within 6 months of when you acquire it) to transport an individual who uses a wheelchair, to a limit of \$5,000;
- 50% of the cost of an air conditioner, prescribed by a medical practitioner for an individual with a severe chronic ailment, disease, or disorder, to a limit of \$1,000;

- reasonable moving expenses (that have not been claimed as moving expenses on anyone's return) to move an individual who has a severe and prolonged mobility impairment, or who lacks normal physical development, to housing that is more accessible to the individual or in which the individual is more mobile or functional, to a limit of \$2,000;
- reasonable costs of altering the driveway of the primary residence of an individual with a severe and prolonged mobility impairment, to allow easier access to a bus;
- sign language interpreter fees paid to a person in the business of providing such services, for an individual with a speech or hearing impairment;
- amounts paid for you or a relative to learn to care for a relative who has a mental or physical infirmity and who is in your household or is dependent on you for support; and
- amounts paid for attendant care, or care in an establishment (see the next section called "Options" for details about different amounts you may be able to claim).

## Options

You will note that we use the phrase "dependant other than your spouse" throughout this section. Where we use the phrase we are referring to:

- your or your spouse's children or grandchildren who depended on you for support; and
- your or your spouse's parent, grandparent, brother, sister, uncle, aunt, niece, or nephew who lived in Canada at any time in the year and depended on you for support.

You or your spouse may have paid for attendant care or care in an establishment for yourself, your spouse, or a dependant other than your spouse. If so, you may be able to choose between different claims you can make.

### Notes

You only can claim amounts paid for an attendant if he or she was 18 years of age or older when the amounts were paid and was not your spouse.

Amounts you claim for care as medical expenses on your return may enable you to claim the Refundable medical expense supplement or may increase your claim for this supplement. For details, see your tax guide.

The person for whom the care was paid must have had one of the following conditions:

- Condition 1** is a mental or physical impairment that has been certified on Form T2201 to qualify for the disability amount as discussed on page 5. Instead of claiming the disability amount, you may be able to claim amounts paid for attendant care or care in an establishment for a person with this condition.
- Condition 2** is a mental or physical infirmity, such that the person is likely to be dependant on others for his or her personal need and care for the long-term, and requires a full-time attendant, as certified in a letter from a medical practitioner. You may be able to claim amounts paid for attendant care for a person with this condition.
- Condition 3** is a lack of normal mental capacity, such that the person is and will continue to be dependant on others for his personal needs and care, as certified in a letter from a medical practitioner. You may be able to claim amounts paid for care in a nursing home for a person with this condition.
- Condition 4** is a mental or physical handicap (including any resulting behavioural problems and learning disabilities) as certified in a letter from a medical practitioner or another appropriately qualified individual, confirming the person's need for the equipment, facilities, or personnel available in an establishment operated for the person's particular handicap. You may be able to claim amounts paid for care in an establishment for a person with this condition.

Depending on for whom the amounts were paid, you may have different options and limits. If the amounts were paid:

- for yourself, see Part 1;
- for your spouse, see Part 2; or
- for a dependant other than your spouse, see Part 3.

#### Part 1 – Claims for yourself

If you meet **Condition 1**, you can choose **one** of the following options, but **not both**:

- A. You can claim the disability amount on your return. In addition, you can claim, as a medical expense, up to \$10,000 (\$20,000 in the year of death) for amounts paid in the year for you for **full- or part-time** care by an attendant in Canada. You cannot make this medical expense claim if **anyone**, including yourself, claims attendant care expenses, or any other amount for care by an attendant, or care in a nursing home, school, institution, or other establishment as a medical expense for you.
- B. You can claim, as a medical expense on your return, all amounts paid for you either for full-time care by an attendant or for full-time care in a nursing home. You also can claim, as a medical expense, amounts paid for you for full- or part-time care (including training) in a school, institution, nursing home, or other establishment that has the equipment, facilities, or personnel needed by people with your particular handicap. In addition, as explained on page 8 under the heading “Attendant care expenses,” you can claim amounts paid for personal attendant care that allowed you to earn certain income.

#### Note

If you choose option B, nobody can claim the disability amount for you.

If you meet **Condition 2** and your infirmity is **long-term** (as certified by a medical practitioner) you can claim, as a medical expense on your return, amounts paid for you for **full-time** care by an attendant.

If you meet **Condition 3**, you can claim, as a medical expense on your return, amounts paid for you for **full-time** care in a nursing home.

If you meet **Condition 4**, you can claim, as a medical expense on your return, amounts paid for you for **full- or part-time** care (including training) in a school, institution, nursing home, or other establishment that has the equipment, facilities, or personnel needed by people with your particular handicap.

#### Part 2 – Claims for your spouse

You can claim a transfer of the unused part of your spouse’s age, tuition, education, and pension amounts on your return, plus any spousal amount, personal amount supplement, and medical expenses that might apply. You also can claim the amounts that correspond with your spouse’s condition.

If your spouse meets **Condition 1**, you can choose **one** of the following options, but **not both**:

- A. You can claim a transfer of the unused part of your spouse’s disability amount on your return. In addition, you can claim, as a medical expense, up to \$10,000 (\$20,000 in the year of death of the person making the claim) for amounts paid in the year for your spouse for full- or part-time care by an attendant in Canada. You cannot make this medical expense claim if **anyone**, including yourself, claims attendant care expenses, or any other amount for care by an attendant, or care in a nursing home, school, institution, or other establishment as a medical expense for your spouse.
- B. You can claim, as a medical expense on your return, all amounts paid for your spouse either for full-time care by an attendant or for full-time care in a nursing home. You also can claim, as a medical expense, amounts paid for your spouse for full- or part-time care (including training) in a school, institution, nursing home, or other establishment that has the equipment, facilities, or personnel needed by people with your spouse’s particular handicap.

#### Note

If you choose option B, nobody can claim the disability amount for your spouse.

If your spouse meets **Condition 2**, and his or her infirmity is **long-term** (as certified by a medical practitioner) you can claim, as a medical expense on your return, amounts paid for your spouse for **full-time** care by an attendant.

If your spouse meets **Condition 3**, you can claim, as a medical expense on your return, amounts paid for your spouse for **full-time** care in a nursing home.

If your spouse meets **Condition 4**, you can claim, as a medical expense on your return, amounts paid for your spouse for **full- or part-time** care (including training) in a school, institution, nursing home, or other establishment that has the equipment, facilities, or personnel needed by people with your spouse's particular handicap.

### Part 3 – Claims for a dependant other than your spouse

You can claim for a dependant, other than your spouse, any of the following that might apply:

- the equivalent-to-spouse amount;
- the amount for infirm dependants age 18 or older (as long as nobody other than you has claimed an equivalent-to-spouse amount for the person);
- the personal amount supplement;
- the caregiver amount; or
- medical expenses.

You also can claim the amounts that correspond with your dependant's condition.

If the person meets **Condition 1**, you can choose **one** of the following options, but **not both**:

- A. You can claim a transfer of the person's unused disability amount on your return, as long as the person was resident in Canada at any time in the year, and the person's spouse has not claimed an amount for any of the following:
- the spousal amount;
  - the personal amount supplement;
  - the caregiver amount; or
  - amounts of unused credits transferred from his or her spouse, for the person.

In addition, you can claim, as a medical expense, up to \$10,000 (\$20,000 in the year of death of the person making the claim) for amounts paid in the year for the person for full- or part-time care by an attendant in Canada. You cannot make this medical expense claim if **anyone**, including yourself, claims child care expenses, attendant care expenses, or any other amount for care by an attendant, or care in a nursing home, school, institution, or other establishment as a medical expense for that person.

- B. You can claim, as a medical expense on your return, all amounts paid for the person either for full-time care by an attendant or for full-time care in a nursing home. You also can claim, as a medical expense, amounts paid for the person for full- or part-time care (including training) in a school, institution, nursing home, or other establishment that has the equipment, facilities, or personnel needed by people with the person's particular handicap. In addition, you can claim child care expenses paid in the year for the person.

#### Note

If you choose option B, nobody can claim the disability amount for that person.

If the person meets **Condition 2**, you can claim the deduction for child care expenses on your return, for child care expenses paid in the year for the person. If his or her infirmity is **long-term** (as certified by a medical practitioner) you also can claim, **as a medical expense**, amounts paid for **full-time** care by an attendant for the person. Amounts paid for attendant care **cannot** be claimed as child care expenses.

If the person meets **Condition 3**, you can claim, as a medical expense on your return, amounts paid for the person for **full-time** care in a nursing home.

If the person meets **Condition 4**, you can claim, as a medical expense on your return, amounts paid for the person for **full- or part-time** care (including training) in a school, institution, nursing home, or other establishment that has the equipment, facilities, or personnel needed by people with the person's particular handicap.

### Note

If the net income of the person (**other than your spouse**) for whom you are claiming medical expenses is more than \$7,044, you have to reduce your medical expenses claim by making an adjustment on your return. If the adjustment you calculate for a person is more than the medical expenses you claimed for that person, it is not to your benefit to claim the medical expenses for that person.

### Travel expenses

If medical treatment is not available locally, you may be able to claim, as a medical expense, the cost of travelling to get the treatment somewhere else.

### Reimbursement of an allowable medical or dental expense

You **cannot** claim the part of an expense for which you have been or can be reimbursed. However, you can claim all of the expense if the reimbursement is included in your income, such as a benefit shown on a T4 slip, and you did not deduct the reimbursement anywhere else on your return.

### How to claim

Calculate your allowable medical expenses as follows:

- Choose the 12-month period ending in 1999 for which you will claim medical expenses. You cannot include any expenses you deducted on your 1998 return.
- Add up your allowable medical expenses for that period.
- Subtract \$1,614 or 3% of your net income, whichever is less.

The following example shows how to calculate your claim.

### Example

Carol's only dependant is her husband. She has reviewed their medical bills and decided that the 12-month period ending in 1999 for which she will claim expenses is July 1, 1998, through June 30, 1999. The total of their allowable expenses for that period is \$1,842.

Her net income is \$32,000. She calculates 3% of that amount as \$960. Because the result is less than \$1,614, she subtracts \$960 from \$1,842 ( $\$1,842 - \$960 = \$882$ ). The difference is \$882, which she can claim on her return.

### Receipts

Attach your receipts and other documents to your return. Keep your health services plan premium receipts in case we ask to see them. Any receipts for attendant care paid to an individual should show the individual's name and social insurance number.

For claims where it is required, also attach a properly completed and certified Form T2201, unless a disability amount was allowed for the person in a previous year and the person still met the eligibility requirements in 1999.

### Note

For more information on medical expenses, the disability tax credit (the disability amount), and attendant care expenses, get Interpretation Bulletin IT-519, *Medical Expense and Disability Tax Credits and Attendant Care Expense Deduction*.

### Medical expenses adjustment

If you claimed medical expenses for a dependant, **other than your spouse**, whose net income was more than \$7,044, you have to reduce your medical expenses. To calculate your adjustment, see your income tax guide for more information.

### Refundable medical expense supplement

You may be able to claim up to \$500 for this tax credit if you have an allowable portion of medical expenses to claim, and **all** of the following apply. You:

- were resident in Canada throughout 1999; and
- were 18 or older at the end of 1999.

In addition, the total of the following two amounts has to be \$2,500 or more:

- your employment income (other than amounts received from a wage-loss

replacement plan) minus the amounts of your registered pension plan deduction, your annual union, professional, or like dues, any other employment expenses you can claim on your return, and any deduction you claimed for a cleric's residence (if the result is negative, use "0"); and

- your net self-employment income (not including losses) that you report on your return.

You cannot claim this credit if the total of your net income and your spouse's net income (if your spouse lived with you at the end of the year, your spouse's net income from your spouse's return, or the amount that would be your spouse's net income if your spouse completed a return) is \$26,745 or more.

Complete Schedule 10, *Refundable Medical Expense Supplement*, and attach it to your return.

## Tuition and education amounts

### Eligible tuition fees

Generally, you can claim tuition fees if the fees were for a course at a post-secondary school level or if you were 16 or older on December 31, 1999, and the fees were for a course you took to obtain or improve occupational skills.

You can claim, on your 1999 return, the tuition fees paid for courses you took in 1999. You cannot claim other expenses, such as books, or board and lodging.

### Education amount

Generally, you can claim the education amount if you were enrolled in a qualifying educational program at a designated educational institution.

A qualifying educational program is a program that lasts at least 3 consecutive weeks and requires a minimum of 10 hours of instruction or work in the program each week (excluding study time). Instruction or work includes lectures, practical training, and laboratory work. It also includes research time spent on a post-graduate thesis.

Designated educational institutions include most universities and colleges, or Canadian educational institutions certified by the Minister of Human Resources Development as offering non-credit courses that develop or improve skills in an occupation.

You can claim \$200 for each whole or part of a month in 1999 that you were enrolled in a qualifying educational program.

Your educational institution has to complete and give you either Form T2202, *Education Amount Certificate*, or Form T2202A, *Tuition and Education Amounts Certificate*, to confirm the period in which you were enrolled in a qualifying educational program.

In most cases, you have to be enrolled as a full-time student. However, you can claim an education amount if you are enrolled in a qualifying educational program but can only attend part-time because of a mental or physical impairment.

A qualified person will have to complete Part 3 of Form T2202, or Part B of Form T2201.

You can claim an education amount of \$60 for each whole or part of a month that you are enrolled part-time in a specified educational program at a designated educational institution. A specified educational program is one that has to last at least 3 consecutive weeks and require at least 12 hours of instruction each month on courses. You cannot claim both the \$60 and the \$200 amounts for the same month. You can only claim one or the other. Your educational institution must complete Form T2202 or Form T2202A for you.

You have to claim your tuition and education amounts first, even if someone else paid your fees.

### Tax Tip

If you do not need all of your tuition and education amounts to reduce your federal income tax to zero, you may be able to transfer any unused amount to your spouse or to your or your spouse's parent or grandparent.

You may be able to claim all or part of your spouse's or other dependant's tuition and education amounts.

If you do not need to use all of your tuition and education amounts (and you do not transfer them to your spouse or to your or your spouse's parent or grandparent) in the year, you can carry forward the unused part and claim it in a future year. However, if you carry forward an amount, you will not be able to transfer it to anyone.

For more information on tuition and education amounts, see your income tax guide and the pamphlet *Students and Income Tax*.

## Receipts

Do not include your receipts or forms (other than Schedule 11) with your return. However, you have to keep them in case we ask to see them.

## Tuition and education amounts transferred from a child

A student who does not need to claim all of his or her 1999 tuition and education amounts to reduce his or her federal income tax to zero may be able to transfer the unused part to you if you are the parent or grandparent of that student or of that student's spouse. The maximum amount that each student can transfer is \$5,000 minus the amount the student needs, even if there is still an unused part.

## Amounts claimed by student's spouse

If a student's spouse claims the spousal amount or the amounts transferred from the spouse, you cannot claim the tuition and education amounts transfer. However, the student's spouse can claim the transfer.

## No amounts claimed by student's spouse

If no amounts are claimed for the student by the student's spouse, or if the student does not have a spouse, the student can choose the parent or grandparent who can claim the tuition and education amounts transfer.

Only one person can claim the transfer from the student. However, it does not have to be the same parent or grandparent as the person who claims the equivalent-to-spouse amount or the amount for infirm dependants age 18 or older for this student.

## Receipts

Do not include the student's Schedule 11, forms, or official tuition fees receipt with your return. However, you have to keep them in case we ask to see them.

## Amounts transferred from your spouse

You can transfer from your spouse (as defined on page 5) any part of certain amounts for which your spouse qualifies but does not need to reduce his or her federal income tax to zero. Use Schedule 2, *Amounts Transferred From Your Spouse*, to calculate your claim. If Schedule 2 is not included in the package you received, get the General package.

The amounts you can claim are:

- the age amount (if your spouse was 65 or older);
- the pension income amount;
- the disability amount; and
- 1999 tuition and education amounts, as designated by the student. The limit on the total of these amounts that can be transferred is \$5,000 minus the amount your spouse needs, even if there is still an unused part.

### Note

Your spouse cannot transfer any unused amounts to you if you were separated because of a breakdown in your relationship for a period of 90 days or more that included December 31, 1999.

## Receipts

Attach to your return your spouse's Form T2201, *Disability Tax Credit Certificate*. If you were (or your spouse was) allowed the disability amount in a previous tax year for your spouse's condition, and your spouse still met the eligibility requirements in 1999, you can claim the disability amount without sending us another Form T2201. However, you have to send us a new one if the period stated on the certificate ended before 1999.

Do not include with your return any receipts or forms (other than your own Schedule 2) for your spouse's tuition or education amounts. However, you have to keep them in case we ask to see them.

## Child care expenses

Generally, you can claim expenses you or your spouse paid for someone to look after your child, so you (or your spouse) could earn income, go to school, or conduct research in 1999. The child must, at some time in 1999,

have either been under 16 or had a mental or physical infirmity.

For more information and to calculate your deduction, see Form T778, *Child Care Expenses Deduction for 1999*, which you can get from us, and attach it to your return.

## Excise tax information

### Federal Excise Gasoline Tax Refund Program

If you are medically certified as having a permanent disability due to a mobility impairment that would make using public transportation hazardous to your health, you can apply for a refund of part of the federal

excise tax on the gasoline you buy. For more information, get a copy of the information sheet called *Federal Excise Gasoline Tax Refund Program*, which contains a simple application form. This information sheet is available at your tax services office. You can also call us at **1-877-432-5472**.

## GST/HST information

In this section, we describe some of the goods and services people with disabilities use that are exempt from or zero-rated for purposes of the goods and services tax (GST) or the harmonized sales tax (HST).

### Health care services

Most health care services are “exempt supplies,” which means that they are not subject to GST/HST. An example of a health care service which is exempt from GST/HST is a homemaker service, funded by a government or a municipality, that is provided to an individual in the individual’s place of residence. A “homemaker service” includes a household or personal service such as cleaning, laundering, meal preparation, and child care, that is rendered to an individual who, due to age or disability, requires assistance. Where a person is in receipt of subsidized homemaker services, all other supplies of homemaker services the person receives are also GST/HST exempt.

### Personal Care and Supervision Programs

An exemption is extended to all businesses that provide care and supervision of individuals

who have limited capacity for self-supervision and self-care due to an infirmity or disability. This exemption applies to services provided principally in the establishment of the provider. An example of this exemption would be daytime or overnight supervision provided when the primary caregiver is working or is otherwise unavailable.

### Meals On Wheels and similar programs

A public sector body, such as a charity, a non-profit organization, or a government, that operates a program to provide prepared meals to seniors or persons with disabilities in their home, does not charge tax when it provides food and beverages under this program, since such meals are exempt.

### Medical devices

Medical devices, such as wheelchairs, walkers, and other similar aids to locomotion that are required by individuals with disabilities, are zero-rated for GST/HST purposes. This also applies to guide dogs for blind persons and hearing-ear dogs for hearing impaired persons.

The following list describes some of the other medical devices that are also zero-rated for GST/HST purposes:

- Hearing aids.
- Prescription eyewear when supplied under the written order of an eyecare professional.
- A selector control device that is specially designed to enable an individual with a disability to select, energize, or control household, industrial, or office equipment.
- A toilet-seat, bath-seat, or shower-seat that is specially designed for use by an individual with a disability.
- A patient lifter that is specially designed to move an individual with a disability.
- A cane or crutch that is specially designed for use by an individual with a disability.
- A supply of clothing that is specially designed for use by an individual with a disability, when the clothing is supplied on the written order of a medical practitioner for use by a consumer named in the order.
- An incontinence product that is specially designed for use by an individual with a disability.
- The installation of auxiliary driving controls which enables a disabled individual to operate a motor vehicle.

- The modification of a vehicle to adapt the vehicle for the transportation of a person using a wheelchair.

### **Rebate for Specially-Equipped Motor**

**Vehicles** – If you purchase a new or used vehicle from a dealer and the vehicle is already equipped with either an auxiliary driving control to enable an individual with a disability to operate the vehicle, or with a device designed exclusively to enable a wheelchair to be placed in the vehicle without having to collapse the wheelchair, the GST/HST at 7% or 15% applies to the purchase price of the vehicle since there is no zero-rating or exempting provision that applies to the supply of vehicles with these modifications already done. Instead, purchasers receive a rebate, either from the supplier or by mailing an application to us, for the GST/HST payable on the portion of the purchase price which relates to the modification of the vehicle and the installation of these devices.

### **Recreational programs**

Recreational programs offered by a public sector body to underprivileged individuals, or individuals with a disability, are exempt from the GST/HST. Recreational programs may include board and lodging at recreational camps or similar places, as well as recreational services, including those provided on an ongoing basis at a community centre.

## **Customs information**

**T**he *Customs Tariff* provides for duty free entry of goods that are specifically designed for use by people with disabilities. If you buy such goods while abroad, specify tariff item 9979.00.00 on your Customs Declaration to eliminate the duty that might otherwise apply.

If you have questions or concerns about rules that may apply to the goods you are planning to import, contact your nearest customs border services office before you start. Our staff can explain any special requirements ahead of time so that your goods clear customs quickly. For our addresses and telephone numbers, see the listings in the government section of your telephone book.

## Do you have any questions?

If you need more help after reading this guide, contact us. For our addresses and telephone numbers, see the listings in the government section of your telephone book.

You can find information on how to complete your return in your income tax guide. You may receive the guide by mail, or you can get one

for the province or territory where you resided on December 31 from any postal outlet in that province or territory, or from us. You may also wish to use our Tax Information Phone Service (T.I.P.S.). T.I.P.S. is an automated telephone service that provides you with general and personal tax information. The T.I.P.S. telephone number is **1-800-267-6999**.

## Questions and answers

This section answers some common questions. We hope you find this information helpful.

- Q.** I receive the disability pension from Canada Pension Plan. Do I automatically qualify for the disability amount?
- A.** No, not necessarily. It is the impairment's effect on your ability to perform the basic activities of daily living, not your inability to work or the fact that you receive a disability pension, that determines whether you can claim the disability amount.
- Q.** I have to wear a hearing aid to be able to understand a spoken conversation. Do I automatically qualify for the disability amount?
- A.** No. If you are able to understand a spoken conversation using an aid, you are not markedly restricted in your ability to hear, and therefore you do not qualify for the disability amount. However, your hearing aid is an allowable medical expense.
- Q.** I have been claiming the disability amount since 1990. In 1995, my claim was reviewed and disallowed. Why would you allow me the amount for so many years and then all of a sudden decide to check up on it?
- A.** In the past, when we reviewed a disability claim, we relied on the information provided on Form T2201. If there was not enough information to establish whether the patient met the eligibility requirements, we asked for additional information. When the information provided indicated that the claim was not eligible, we reassessed the return to recover the tax.
- Since 1996, we have been reviewing each new application for the disability amount before we allow it to ensure that the eligibility requirements are met. This reduces the possibility of people claiming the amount and finding out at a later date they were not eligible.
- Q.** I am 19 years old and have no income. Although I am physically infirm, I do not qualify for the disability amount. My mother pays \$4,000 a year to have someone look after me part-time in our home while she works. Can I deduct the \$4,000 as an attendant care expense?
- A.** No, you cannot deduct the amount as an attendant care expense because you did not pay the expense. However, your mother may be able to deduct the amount paid as a child care expense. For details, read Form T778, *Child Care Expenses Deduction for 1999*.
- Q.** For years, my aunt lived with me and depended on me for support. Last year, she moved into a nursing home in Toronto because she requires constant care. She does not qualify for the disability amount. Can I claim the amount I paid for her to live in the nursing home?
- A.** If you have a letter from a medical practitioner certifying your aunt's dependence on others for care due to lack of normal mental capacity, you can claim amounts paid for full-time care in a nursing home as medical expenses.

**Q.** I qualify for the disability amount. Although I live at home with my father, I require full-time care by an attendant. Since I have no income, can my father deduct the \$8,000 paid to the attendant?

**A.** Your father can deduct the \$8,000 as a medical expense providing that the attendant is not your father's spouse and was 18 years of age or older when the amounts were paid.

Because the total amount paid for an attendant is \$10,000 or less, your father can claim the \$8,000 as medical expenses, **and** he can also claim the disability amount transferred from you. However, he cannot have claimed amounts paid for child care expenses, attendant care expenses, or care in an institution (including a nursing home) as a medical expense for you.

**Q.** I receive a grant for research work that I am doing. I qualify for the disability amount. An attendant comes to my home for a couple of hours every morning to help me get dressed and prepare my meals for the day. Do I claim the \$12,000 I pay as an attendant care expense or as a medical expense?

**A.** Because the amount paid for part-time care by an attendant is more than \$10,000, you can claim up to \$10,000 of the payment as a medical expense. However, you may be able to claim the expense as an attendant care expense provided that the attendant was not your spouse and was at least 18 years of age at the time you made the payments. To calculate the amount you can claim, complete Form T929, *Attendant Care Expenses*. You can still claim the disability amount.

**Q.** My 12-year old son has a learning disability, but he is not eligible for the disability amount. He attends a learning centre designed especially for children with learning disabilities. Do I claim the fees I pay to this learning centre as tuition fees?

**A.** No, the fees do not qualify as tuition fees because they were not paid for courses at a post-secondary school level. For more information on tuition fees, see the section called "Tuition and education amounts" in

your income tax guide for 1999. However, you can claim amounts paid for the part-time care in the learning centre as medical expenses. To qualify, you need a letter from a medical practitioner or other appropriately qualified individual certifying your son's need, due to a mental disability, for the personnel in an institution that is operated for persons with that disability.

**Q.** Because of my severe hearing impairment, I communicate by sign language. I would like to make an appointment at my tax services office to discuss an income tax matter. Can you arrange to have a sign language interpreter present at my meeting?

**A.** In most cases, if you give us 48 hours notice, we can arrange to have a sign language interpreter available at your interview.

**Q.** I have just finished reading this guide, and realize there are some deductions or credits I could have claimed in the past. Can I get my returns for those years adjusted?

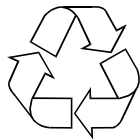
**A.** Yes you can. Send a completed Form T1-ADJ, *T1 Adjustment Request*, or a signed letter to your tax centre, providing the details of your request (including the tax years you want us to adjust), your social insurance number, your address, and a telephone number where we can reach you during the day.

Do not send your Form T1-ADJ or letter with your 1999 return. You can ask for a refund for tax years as far back as 1985. It usually takes eight weeks before we mail you a *Notice of Reassessment*.

You should attach supporting documents for the changes you want to make and, if you have not sent them to us before, supporting documents for your original claim.

If you have not already filed one, you can file a return to claim a refund for the 1985 tax year or any year after that. If you are filing a return for a year before 1999, make sure you attach receipts for all the deductions or credits you are claiming.

Think recycling!



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