

**Confédération des organismes de personnes handicapées du Québec
(COPHAN)**

November 20, 2001

Mr Bill Young
Sub-Committee on the Status of Persons with Disabilities, of the
Standing Committee on Human resources Development and
the Status of Persons with Disabilities

RE: Round table on the tax credit for persons with disabilities

Dear Mr Young,

First of all we want to thank you for having thought of COPHAN for this round table. Unfortunately we cannot be present today. We are currently deep in rethinking and discussing the tax system, following two days of training on it. A general meeting is coming up on December 4, where our members will be making decisions about taxation issues. COPHAN is also a member of the CCD and is working hard there too on taxation issues.

For a very long time now we have been studying the needs and costs that disabilities entail. The government can provide either direct free support (in the form of public services, equipment, home care, prescription drugs, etc.), or partial assistance through the tax system; it can make use of the public insurance system (in Quebec the SAAQ for automobile insurance, the CSST for occupational health and safety insurance, the IVAC for insurance for victims of crime), or direct its citizens toward private insurers. Where health and social services are concerned, the trend at both the national and provincial levels is increasingly toward a privatized market, which will soon be covered by some agreement like the FTAA (Free Trade Area of the Americas).

It is difficult to decide on a position on our tax system without taking all these aspects into account.

COPHAN has traditionally held one firm position: it has always called for free and universal services and equipment, and compensation for costs arising from disabilities.

However, when it comes to the specific issue of a tax credit for persons with disabilities, the consensus is as follows:

(1) In the very short term (current period):

- Stop the administrative harassment of constantly demanding reconfirmation of functional limitations.
- Increase the tax credit.
- Harmonize the federal/provincial criteria to make them more inclusive and to make them take into account periods of remission or fluctuations in a person's condition (e.g., multiple sclerosis, mental illnesses, head injuries, aphasia, etc.).

(2) In the short term (the fiscal year covered by the next budget):

- Transform the non-refundable tax credit into a refundable tax credit.
- Increase the amount of the refundable tax credit.
- Make sure that the refundable tax credit is not cancelled out by income security, especially for the poorest.

(3) In the medium term:

- Analyse the tax system as a supplementary means of rectifying inequalities, not of replacing free and universal public services.

Thank you for your attention to these points. We will be sending you COPHAN's official position after December 4, 2001. We will also try to find out if some of our members would be free on November 27.

Thank you as well for your involvement in the cause of persons with functional limitations.

Yours sincerely,
Chloé Serradori
Director General, COPHAN