

**Feedback Session on Personal Income Tax Measures for Persons with
Disabilities and Those who Care for Them**
Held at the NWT Council of Persons with Disabilities
August 20, 2003

1. Definition of Severe Disability in Disability Tax Credit (DTC)

Recommendations:

- Revisit and redefine the definition of severe disability. It is too narrow and exclusionary.
- Change the current definition of severe disability to the economic effects of the disability.
- Increase the amount of the Disability Tax Credit. Convert it to a tax deduction rather than a credit. This would result in better tax treatment.

Comments:

- If I went through the checklist (Part B T2201) I would not qualify as having a severe disability, even though I have a severe disability and cannot perform many daily living tasks like cutting my food, cleaning, driving, changing light bulbs etc..
- The checklist does not recognize many of the daily living challenges experienced by persons with disabilities.
- Disability is a spectrum. “Severe disability” is a narrow category that excludes too many people with disabilities.
- I have many expenses because of my disability. I do not have the same choices as people without disabilities; for example, I do not have the choice to walk or drive to work, or to take a bus. I have to take a taxi to work and that is very expensive.
- It is as if you have to be almost dead to qualify as having a severe disability.

- I work full-time and have extra costs because of my disability. If the CCRA takes too narrow a view and I am rejected, then I have to go on relief. Isn't it cheaper for the government when persons with disabilities are taxpayers as opposed to being on employment insurance or social assistance?

2. CCRA

Recommendations:

- The CCRA should recognize the many expenses incurred by persons with disabilities and those who support them.
- The CCRA should recognize the extra efforts that persons with disabilities must make to be part of the workforce, as well as the challenges they face.

Comments:

- The CCRA lacks a human face in terms of its policies towards persons with disabilities.
- There is a lot more work that a person with a disability has to do in order to be a tax-paying citizen. I have to get up an extra hour early to stretch my muscles and get dressed.
- Because of my disability, it took me 3 hours to do a task at work that took my colleague (without a disability) 1 hour.

3. Employment Expenses:

Recommendation:

- Allow persons with disabilities to claim employment expenses that are incurred by their disability on the current employment expense form. This would help to offset these extra expenses.

Comments:

- Allowing employment expenses for persons with disabilities would encourage persons with disabilities to be employed.
- If persons with disabilities do not qualify for the Disability Tax Credit, then they should be able to claim the extra employment expenses that result from their disability.
- Persons with disabilities should be on par with other people who claim employment expenses.

4. Medical Expense Tax Credit

Recommendations:

- Raise the amount of the credit. It is unreasonable and insufficient for the high costs of medical expenses in the north.
- Include medical expenses on the Northern Residency form. Similar to basic living and travel expenses, medical expenses in the NWT are higher than those in southern Canada.
- Clarify when and what medical expenses can be claimed.
- Judge medical receipts on their own merit and according to individual need.
- Clarify what is required to submit medical expense claims for persons with Celiac's Disease. Do they have to keep all receipts?

Comments:

- The criteria for what qualifies as a medical expense is too vague and discretionary; for example, what exactly does "similar things" mean?
- Often persons with disabilities consider a purchase to be a necessary medical expense, but most of the time CCRA does not consider it to be one.
- The limit of \$1755 is unreasonable.

- The credit is insufficient to cover necessary medical expenses. We had to pay for private psychiatric care for a family member on our own.
- Medical expenses are more expensive in the NWT than they are down south; for example, a wheelchair is more expensive to buy and maintain.

5. Definition of Qualified Person to fill out Form B in the T2201

Recommendations:

- Include Nurse Practitioners in the list of qualified medical professionals to fill out Form B in the T2201 for the Disability Tax Credit.
- Reduce the amount of discretion given to doctors when filling out Form B; for example, the word “inordinate” in Form B is too subjective and open to individual interpretation.

Comments:

- The definition of qualified person to fill out Form B should be expanded to include Nurse Practitioners, as many remote communities in the NWT lack doctors and other medical professionals. Nurses are often the only medical people in the community. The definition of qualified person needs to reflect this reality.
- There is too much dependency on medical professionals to say “yes” or “no”.
- There is too much variation between doctors. One doctor said that I had no problem walking, but another doctor recognized my mobility impairment.
- A doctor filled out Part B incorrectly, so this meant that I did not get the Disability Tax Credit the first time I applied. The second time the doctor filled it out correctly and I qualified.

6. Attendant Care

Recommendation:

- Increase the current limit of 2/3 income to 3/4 of income.

7. Child Disability Benefit

Recommendations:

- Increase the amount of \$1600 a year. It is insufficient and must be increased because parents and caregivers of children with disabilities have high expenses.
- Consider regional differences when considering what is a low and modest income family. A low and modest income family is not the same in southern Canada as it is in the NWT. The definition of low and modest income family should be adjusted for families in the NWT because basic living expenses are higher in the NWT than southern Canada.
- Allow parents to deduct preparation of tax return fees, since many forms are required to be completed.
- Provide tax-planning support to parents of children with disabilities.

Comment:

- Many parents are confused about what is required and fail to complete forms. In a way, CCRA is setting them up not to maximize their claims.

8. Registered Educational Savings Plan (RESP)

Recommendation:

- Allow parents/caregivers of children with disabilities to put a greater amount into RESP, since specialized care is often needed for students with disabilities attending post-secondary institutions.

9. Infirm Dependent Credit

Recommendation:

- Increase the credit to reflect the high costs of providing support to an infirm resident living in a separate residence.

Comment:

- The current amount of credit is insulting.

10. Respite Care:

Recommendation:

- Include respite care in Income Tax Measures. It is a unique expense to the community of persons with disabilities and their families. It is also an expensive service.

11. Household Maintenance:

Recommendations:

- Introduce a tax allowance for household maintenance.

Comments:

- Household maintenance is a basic activity of daily living.
- Before my disability, I was able to do household maintenance. Since my disability, I have no choice but to hire people to do maintenance tasks like cleaning, painting my deck, installing smoke detectors etc. This is very expensive.
- I am unable to clean my apartment and must hire someone to do it.
- As the parent of a child with a disability, I had to hire a cleaning person in order to get time to do early intervention with my child.

12. Home Renovations for Barrier Free Homes

Recommendation:

- Expand the Home Buyer's Plan to include home renovations. Persons with disabilities should be allowed to withdraw up to \$20 000 from their RRSP's to make barrier-free renovations to their existing homes.

Comment:

- In order to live in a barrier free home, persons with disabilities should not have to buy a new home, especially if they have grown up in that home or lived there for many years.

13. Amounts of Deductions and Credits in Tax Measures for Persons with Disabilities and Those who Care for Them:

Recommendations:

- Increase the amounts of deductions and credits in the income tax measures for persons with disabilities and those who care for them. They are unacceptably low.
- Adjust the amounts of deductions and credits to reflect regional differences. Specifically, they should be adjusted to reflect the higher costs of disability related expenses in the NWT.