

Applying for the Disability Tax Credit



[This article is for informational purposes only and does not constitute legal advice, which cannot be given without consideration of your individual circumstances.]

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What is the Disability Tax Credit?

The Disability Tax Credit is a non-refundable, transferable tax credit used to reduce income tax payable on your annual income tax return.

- When you qualify for the Disability Tax Credit, you become entitled to a “disability amount”, which is to be deducted from your income tax.
- The disability amount is filled out on line 316 of your income tax return.
- For more general information, click [here](#).
- Qualifying for the Disability Tax Credit opens the door to many other benefits and supplements available to people with disabilities including the [Registered disability savings plan \(RDSP\)](#).

Who is eligible for the Disability Tax Credit?

A person with a severe and prolonged impairment in physical or mental functions.

A “severe” impairment can mean any of the following which must exist at least 90% of the time:

- A marked restriction in any one the “basic activities of daily living”: speaking, hearing, walking, eliminating (bowel or bladder functions), feeding, dressing, mental functions necessary for everyday life and vision¹;
- A restriction in performing two or more basic activities of daily living. The combined effect of these two or more restrictions can be taken together as a marked restriction. This is called the “cumulative effects of significant restrictions”;
- Reliance on life-sustaining therapy;
- A situation in which it takes three times the amount of time the average person takes to complete the basic activities of daily living.

A “prolonged” impairment is one that has lasted or is expected to last 12 consecutive months.

I have been living with this disability for years, can the Disability Tax Credit apply retroactively?

Yes, you can be reassessed retroactively for up to 10 years. For more information on reassessments, click [here](#).

How can I apply for the Disability Tax Credit?

- Complete [Form T2201](#).

¹ The CRA treats vision as its own category, and not as one of the basic activities of daily living. Nevertheless, the “cumulative effects of significant restrictions” can include vision plus one or more of the basic activities of daily living.

- Fill out Part A and have your medical practitioner fill out Part B.
- Keep a copy for yourself, then send the original to the Canada Revenue Agency.
- You can apply at any time of year.
- For residents of Ottawa, this form can be sent to:

Shawinigan-Sud Tax Centre
PO Box 4000, Station Main
Shawinigan QC
G9N 7V9

If my claim for the Disability Tax Credit is denied, how can I appeal a decision?

- If the Canada Revenue Agency rejects your application, they will send you a notice of determination explaining their decision.
- If additional medical information was unavailable or not included in the first attempt at qualifying for the Disability Tax Credit, this new information can be sent to the Canada Revenue Agency.
- Otherwise, you have a right to [file a formal objection](#) to appeal the decision within 90 days after receiving the notice of determination.
- You may file an objection [online](#), or you must either fill out form [T400A](#) or write a letter and send it to:

Chief of Appeals
Sudbury Tax Services Office
1050 Notre Dame Avenue
Sudbury ON P3A 5C1

- If you are still dissatisfied with the decision, you can appeal to the Tax Court of Canada. A further appeal is available to the Federal Court of Appeal.

We are here to help you understand the tax credit and other benefits that may be available to you as a result of your disability. Consult one of our experienced Disability lawyers at [Raven, Cameron, Ballantyne and Yazbeck LLP](#) if you are considering making a claim for disability benefits or if your claim for benefits has been denied.

Keywords: Disability tax credit, disability insurance benefits

Description: This article will help you understand if you are eligible for the disability tax credit, and the steps to apply for the disability tax credit.