

Fact Sheet

Learning Disabilities Association of Canada (LDAC)
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Federal Tax Deductions and Credits

Disability Tax Credit:

For learning disabilities, the Federal Government allows a Disability Tax Credit for those individuals and their dependents who have a severe mental or physical impairment that causes marked restrictions in performing mental functions for everyday life if, all or substantially all the time if he is unable to perform them by himself all or almost all of the time in any of the basic activities of daily living and the impairment is prolonged, i.e. has lasted or is expected to last for a continuous period of at least twelve months.

These marked restrictions include sight, hearing, mobility, speech, memory, thought and perception. The catch is that these restrictions must occur despite therapy and the use of appropriate devices and medications. Receiving a disability benefit does not guarantee eligibility for the Disability Tax Credit.

To apply for this credit, the Disability Tax Credit Certificate (Form T2201) must be completed by an authorized healthcare professional. In the case of learning disabilities, the authorizing professional can be a registered psychologist or a medical doctor. Complete details about this tax credit are contained in the guide, Information Concerning People with Disabilities, which also contains Form T2201.

It's advisable to include supporting documents from the psychologist, teacher, parent etc detailing the impact of the impairment on the child in the classroom, at home and in the community. In detailing the impact of the learning disability, please use the headings that are used in Form T2201 on page 6 – inordinate amount of time to perform; adaptive functioning; memory; and all three of the following: problem solving, goal setting and judgment.

For more information, visit the Canada Revenue Agency website at <http://www.cra-arc.gc.ca/disability>

Medical Expense Tax Credit:

In addition to the standard medical expenses such as prescription drugs and a variety of assistive devices, in 1999, the Federal government recognized that individuals with learning disabilities may have a need for supplementary educational service. These expenses may also include tutoring services, tuition costs if a patient (for example, a dependent) is suffering from a behavioural problem arising out of a mental or physical disability or suffering from a learning disability, including dyslexia, who attends a school, that specializes in the care or disability is considered to qualify under P118.2(2)(e), and expenses paid for the patient are qualifying medical expenses even though some part of the expense could be construed as being tuition fees.

For a complete list of eligible medical expenses, please visit the Canada Revenue Agency website at

<http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/ncm-tx/rtrn/cmpltng/ddctns/Ins300-350/330/menu-eng.html>

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Also visit the website of the Learning Disabilities Association of Canada to review the documentation necessary to submit a claim. <http://www.ldac-taac.ca/InDepth/inDepth-e.asp#incometax>

Refundable Medical Expense Supplement

You may also qualify for a refundable medical expense supplement if you have claimed eligible medical expenses and your income falls between the specified amounts. You may claim both the refund and expenses.

NOTE:

It is advisable to have Canada Revenue Agency review your claim before you file your return to rule on your eligibility. This will also give you time to contest the decision if necessary before you file.

What's available in your province/territory

For information on financial benefits in your province or territory please visit the following website: <http://www.pwd-online.ca/pwdh.4m.2@.jsp?lang=eng&ta=83&geo=6>

Not sure what benefits there are for you? Answer questions and get a list of benefits for which you may be eligible at this benefit finder website

<http://www.canadabenefits.gc.ca/bfservicecanada.jsp?lang=en>

Student Loans

For information on student loans, visit the federal government's CanLearn website <http://www.canlearn.ca/eng/postsec/index.shtml>. It provides information on Canada Student Loans and links to the websites for all the provincial/territorial student loans programs. Student loan application forms can be found on these provincial/territorial sites.

Scholarships and Bursaries

A comprehensive source of information on all financial assistance in one document, and written in plain language is the Directory of Financial Assistance Programs for Post-Secondary Students with Disabilities posted by the National Educational Association of Disabled Students at <http://www.neads.ca/en/norc/funding/contents.php>