



# Financial Tips for Parents of Children with Special Needs

Children and youth with special needs have medical, emotional, developmental, mental or behavioural problems that require ongoing help and support. Ontario has a number of provincial programs and the federal government has various tax deductions, credits and benefits available to help families and caregivers of children and youth with special needs. This fact sheet outlines the main sources of financial help, and provides some tax information.

## Provincial programs (Ontario)

### Assistance for Children with Severe Disabilities (ACSD)

The ACSD program, (once called the Handicapped Children's Benefit, or HCB), helps parents with some of the extra costs of caring for a child with a disability. This funding aims to help children with disabilities live as normal a life as possible at home and in the community.

#### What funding and/or services are provided under the ACSD program?

1. Monthly financial assistance. This ranges from \$25 to \$410 per month depending on:
  - Your family's income
  - The costs of caring for your child
  - The severity of the disability
  - The type of support needed to help your child
2. Help for extra costs related to a child's disability, like:
  - Travel to doctors and hospitals
  - Parental relief
  - Special shoes and clothing
  - Basic dental care, drugs, eyeglasses, hearing aids and prescription medication not covered by another plan.

#### Who can get help?

Depending on income, a parent or legal guardian may be able to get help from this program if their child:

- Is under 18 years of age;
- Lives at home;
- Has a severe disability;

#### How do we apply?

- The Ministry of Child and Youth Services (MCYS) manages the ACSD program. Visit the website at: [www.children.gov.on.ca/htdocs/English/topics/specialneeds/disabilities/index.aspx](http://www.children.gov.on.ca/htdocs/English/topics/specialneeds/disabilities/index.aspx) or call your local MCYS office to ask for an application form [In the area served by CHEO, call (613) 787-4064.]
- You may need to include other documents, like a letter or report from a mental health professional that states your child's diagnosis.
- In your application, you need to list the extra expenses you have due to your child's disability.
- Your application will be reviewed by a Special Agreements officer, who may also contact you to gather more information.



## Special Services at Home (SSAH)

This program helps families who are caring for a child with a developmental or physical disability, or an adult with a developmental disability at home. The purpose of this program is to help families care for children with developmental disabilities in their own home and community.

### Families can get help for:

- Respite services. In some areas, it's hard to find special needs caregivers. This funding can now be used to pay family members (but not parents) to care for a child to give parents a break (respite care).
- Programs like special summer camps, which are not covered by other community services.
- Developmental services, like paying someone to help the child develop skills.

### Who can get help?

- Families of children with a developmental disability (a diagnosis of either Autism Spectrum Disorder or Developmental Delay).
- Families of children with a physical disability.
- Families whose children need more help than most families can give.
- Family income does not affect whether a family qualifies for this program.
- The amount of money received depends on the child's needs.

### How do we apply?

The Ministry of Child and Youth Services (MCYS) manages the SSAH program. Visit the website at: [www.children.gov.on.ca/htdocs/English/topics/specialneeds/specialservices/index.aspx](http://www.children.gov.on.ca/htdocs/English/topics/specialneeds/specialservices/index.aspx), or call your local MCYS office to ask for an application form [In the area served by CHEO, call 1-800-267-5111 (ext. 2399 or 4064)]

- The application form is quite detailed. If you are connected to a community agency for support with your child, (like Service Coordination), you may want to ask your case manager or worker to help you fill it out.
- You will need to include a medical statement or psychological assessment, outlining your child's diagnosis.
- Your application will be reviewed by a Special Agreements officer, who may also contact you to gather more information.

## Provincial Assistive Devices Program (ADP)

This program helps people with physical disabilities. It provides financial help for many kinds of equipment and supplies, like:

- Wheelchairs
- Walkers and strollers
- Hearing aids
- Artificial limbs
- Personal FM systems
- Communication boards

For more information, contact the Ontario Ministry of Health and Long-Term Care, at the Assistive Devices Program, at 1-800-268-6021. Website: [www.health.gov.on.ca/english/public/program/adp/adp\\_mn.html](http://www.health.gov.on.ca/english/public/program/adp/adp_mn.html)



## Federal Income Tax

### Disability Tax Credit (DTC):

If you have a child with special needs, the Disability Tax Credit is a non-refundable tax credit that helps people with disabilities or their supporting persons reduce the amount of income tax they may have to pay. People may claim the disability amount once they are eligible for the DTC. This amount includes a supplement for persons under 18 years of age at the end of the year.

This tax credit can be transferred to a supporting family member who provided regular and consistent support for one or more of the basic necessities of life such as food, shelter or clothing to the person.

Being eligible for the DTC can open the door to other federal, provincial or territorial programs like the:

- Registered disability savings plan;
- Working income tax benefit;
- Child disability benefit.

### Who may apply for this tax credit?

Parents or legal guardians may apply for the DTC, if their child:

- Has a severe and prolonged impairment that has lasted or is expected to last at least 12 months, and
- Has effects of an impairment that fall into one or more of the following categories:
  - o Vision
    - o Life sustaining therapy
    - o Basic activities of daily living:
      - Walking
      - Speaking
      - Dressing
      - Hearing
      - Feeding
      - Eliminating (bowel or bladder functions),
      - Mental functions
      - The cumulative effect of significant restrictions.

### How do we apply for this tax credit?

Applying for the DTC is as easy as 1-2-3:

1. Complete Part A of Form T2201, Disability Tax Credit Certificate.
2. Have Part B of Form T2201 completed and certified by the child's medical practitioner.
3. Send the completed and signed original form to the Canada Revenue Agency.

A medical practitioner can be a medical doctor, physiotherapist, optometrist, psychologist, occupational therapist, speech-language pathologist, or audiologist.

### How do we claim the disability amount?

You may claim the disability amount on your income tax and benefit return once the person with the disability is eligible for the DTC. To claim the disability amount for your child, see line 318 on the return. For more information about the DTC, go to [www.cra.gc.ca/dtc](http://www.cra.gc.ca/dtc) or call 1-800-959-8281.

### Caregiver Tax Credit (Caregiver Amount-line 315):

You may be able to claim the caregiver amount if:

- You maintained a home where you lived with one or more of your dependants, and
- Each dependant (not a parent or grandparent) was 18 years of age or older, and depended on you because of impairments in mental or physical functioning.



- **Child Disability Benefit:** Families with children who qualify for the disability amount may be eligible for the Child Disability Benefit. The value of the benefit is based on family income.
- **Child Care Expenses (line 214):** If you have paid someone to look after your child who qualifies for the Disability Amount, you may be able to deduct up to \$10,000 for child care expenses.
- **Amount for an Eligible Dependant (line 305):** If you did not have a spouse or common-law partner and you supported a dependant with whom you lived in a home you maintained you may be able to claim this amount.
- **Amount for Infirm Dependents Age 18 and Over (line 306):** You may be able to claim an amount for a dependent child or grandchild if that child had an impairment in physical or mental function and was born in 1997 or earlier.
- **Tuition, Education and Textbook Amounts Transferred from a Child (line 324):** If the student with a disability does not require these amounts, all or part of the unused amounts can be transferred to you if you are the supporting parent or grandparent. A maximum of \$5,000 minus the amount used by the student can be transferred to you.
- **Medical Expenses (lines 330 and 331):** You can claim medical expenses at line 330 for your child under the age of 18, yourself, your spouse or common law partner for any 12-month period ending in the year. You can claim other eligible dependants for the same 12-month period at line 331.

#### **Other medical expenses that may be claimed with a medical certificate or prescription include:**

- **Devices or software** designed to be used by people who are blind or have a severe learning disability to enable them to read print-prescription needed.
- **Note-taking services** used by someone with a physical or mental impairment and paid to someone in the business of providing these services. A medical practitioner must certify in writing that these services are needed.
- **School for people with an impairment in physical or mental functions.** A medical practitioner must certify in writing that the equipment, facilities or personnel specially provided by that school are needed because of the person's mental or physical impairment.
- **Tutoring services** that are above the primary education of a person with a learning disability or impairment in mental functions. The person receiving payment must be in the business of providing tutoring services to others who are not related to the student. A medical practitioner must certify in writing that these services are needed.
- **Talking textbooks** - in connection with enrolment at a secondary school in Canada or a designated educational institution for a person who has a perceptual disability. A medical practitioner must certify in writing that the expense is necessary.
- **Therapy**- the cost of therapy received by a person who is eligible for the disability tax credit (DTC). Therapy must be provided by someone who is not the spouse or common-law partner of the person who is claiming the expense. The person must be 18 years of age or older when the amounts are paid. For a mental impairment, the therapy must be prescribed and supervised by a medical doctor or a psychologist. For physical impairment, the therapy must be prescribed and supervised by a medical doctor or an occupational therapist.

## **Filing claims for past expenses (filing for tax credits retroactively)**

If you are just learning about these tax credits now, and haven't claimed them yet, don't worry! You can still claim these credits up to 10 years retroactively.

To adjust your income tax and benefit returns for previous years, visit the Canada Revenue Agency's website and download Form T1-ADJ, T1 Adjustment Request.





### Caution!

Beware of commercial agencies advertising tax refunds of up to \$30,000. They offer to apply for the tax credits on your behalf by writing letters to your doctor and filling out the forms for you. But then they take 30% of your refund as a fee (this could add up to thousands of dollars).

If you aren't able to complete the paperwork yourself, it's better to hire an accountant or an accounting service for a few hundred dollars.

## For more information

### Federal taxes and deductions

- Canada Revenue Agency (CRA) Web: <http://www.cra-arc.gc.ca>
- Special Needs Planning Group Web: <http://www.specialneedsplanning.ca>
- Planned Lifetime Advocacy Network (PLAN), a “non-profit organization for families committed to future planning and securing a good life for their relative with a disability”. They have an excellent document “Tax Tips for Families” at <http://www.plan.ca/documents/taxtips2006.pdf>.  
Main website: <http://www.plan.ca>

### Ontario programs

- Ministry of Child and Youth Services (MCYS) for information about ACSD and SSAH.  
Web: [www.children.gov.on.ca/htdocs/English/topics/specialneeds/specialservices/index.aspx](http://www.children.gov.on.ca/htdocs/English/topics/specialneeds/specialservices/index.aspx)

### Other sources of financial assistance

The Easter Seal Society [www.easterseals.org](http://www.easterseals.org) Toll Free: 1 (800) 668-6252

- Children and youth with physical disabilities are eligible
- Financial assistance for the remaining 25 % portion, not covered by Assistive Devices Program
- Home and vehicle modifications
- Camp fees for Easter Seal Society camps
- Community camp experience

## About this Document:

Written by the mental health professionals at the Children’s Hospital of Eastern Ontario (CHEO). Reviewed by the Mental Health Information Committee at CHEO. Many thanks to staff from the Benefit Programs and Individual Returns Directorates of the Canada Revenue Agency for reviewing and revising this fact sheet.

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