

Employment and Income Assistance (EIA) Disability Trusts and Registered Disability Savings Plans

If you have a disability (or if you have a child with a disability), you can keep the money you get from some sources without affecting your eligibility for EIA benefits. This money has to be saved in an EIA disability trust or a Canada Registered Disability Savings Plan (RDSP).

You can save money in an EIA disability trust or RDSP from any source except job wages or money to replace or supplement income (ex: Canada Pension Plan Disability payments, Employment Insurance, Workers' Compensation for loss of income). Examples of eligible income sources include:

- inheritances
- life insurance policies
- gifts from family or friends
- money from the sale of a secondary house, land or car

You can deposit up to \$200,000 in an EIA disability trust or RDSP in your lifetime. If you have both an EIA disability trust and an RDSP, the combined amount of the deposit cannot be more than \$200,000.

There is no limit to how much interest, investment growth or contributions from the federal government can be earned on the money in an EIA disability trust or RDSP. So the account may have more than \$200,000, but you can only deposit \$200,000. Interest, investment growth and federal contributions will not affect your eligibility for EIA benefits.

The table on the next page shows some of the differences between EIA disability trusts and RDSPs.

Opening an EIA Disability Trust	Opening an RDSP
<ul style="list-style-type: none"> An EIA disability trust bank account must be separate from your regular bank accounts and it must be in your name. The account can be a joint account with someone you trust. But you are the only person who is allowed to use money from this account. You must provide EIA with documents from your bank verifying the date the account was started and the amount and source of the money in the account. 	<ul style="list-style-type: none"> An RDSP is a long term savings plan that helps Canadians with disabilities and their families save for the future. You must be under age 60 and eligible for the federal Disability Tax Credit. To help you save, the federal government may match part of your contributions. For details about the rules and how to apply, talk to someone at your bank or go to the RDSP website at www.cra-arc.gc.ca/tx/ndvdl/tpcs/rdsp-reei/menu-eng.html. You must provide EIA with documents from your bank verifying the date the RDSP was created and the amount and source of money in it.
Spending EIA Disability Trust Money	Spending RDSP Money
<ul style="list-style-type: none"> You can use the EIA disability trust money for anything related to your disability that is not already paid for by the provincial or federal governments. A list of items and services will be provided to you when you set up your EIA disability trust. If you aren't sure about an item, contact EIA. You can also use your EIA disability trust money to buy things not related to your disability, up to your liquid asset exemption level. The liquid asset exemption is the amount of money EIA participants are allowed to keep each year (\$4,000 per person up to a maximum of \$16,000 for a family) without EIA benefits being affected. You can also use money in an EIA disability trust to pay costs of administering or paying taxes on the account. 	<ul style="list-style-type: none"> There are no restrictions on what you buy with money saved in an RDSP. However, there may be some financial penalties if you withdraw money from your account. Talk to your bank for details.
Reporting on your EIA Disability Trust	Reporting on your RDSP
<ul style="list-style-type: none"> In January each year, EIA will mail you a report form that you must fill out with information about the disability trust account. This form is due to EIA staff at the end of February each year. 	<ul style="list-style-type: none"> EIA will ask you to submit an annual summary of your RDSP account activity. This summary is due to EIA staff at the end of February each year.

For more information about EIA disability trusts or RDSPs, contact your local EIA office. Alternate formats are available upon request.