

Legal Disclaimer

The information contained in this document is designed for informational purposes only. While the Government of Manitoba has taken care in preparing and assembling the information contained in this document, please inform yourself or seek professional advice before taking any action that may affect you or your family's interest. The Government of Manitoba assumes no liability for any acts, errors or omissions that may result in any harm or damage to you, or your family as a result of reliance upon the information contained in this document. It is in your best interest, to exercise due diligence in determining the appropriateness of the information for your particular circumstances.

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Financial Assistance

When preparing my income tax return, what do I need to know?

There are tax **deductions**, **exemptions** and **credits** you may be eligible for. Some of these apply only to people with disabilities. Tax programs may change from year to year, so check for available options each time you file your income taxes.

All of these features reduce the amount of income tax you need to pay.

The amount of income tax you pay may be reduced through deductions and exemptions that you claim on your income tax return, such as:

- child care expenses
- medical expenses (*Guide RC 4064*)
- disability supports deduction (*Form T929*)
- Registered Disability Savings Plan (exemption, *Guide RC 4460*)



Deductions reduce the amount of income that you have to pay taxes on.

Credits lower the actual amount of tax you pay.

Exemptions release you from a rule or obligation which applies to others.

Tax benefits and credits that you may be able to claim include:

- Child Tax Benefit/Child Disability Benefit (*Form T2201*)
- Disability Tax Credit (*Form T2201*)
- Manitoba Family Tax Benefit, basic and disability credits for yourself or other dependent
- Manitoba Cost of Living Tax, basic and disability credits for yourself or other dependent
- Manitoba Primary Caregiver Tax Credit

For more information

The Canada Revenue Agency (CRA) is the federal government department responsible for taxes. CRA staff can give you more information about the tax deductions, exemptions and credits that you, or your family member, may claim.

Phone: toll free 1-800-959-8281 or visit:

www.cra-arc.gc.ca/disability/

What is the Manitoba Primary Caregiver Tax Credit?

The Manitoba Primary Caregiver Tax Credit gives a provincial tax credit for the primary caregiver of a person with a disability or illness. Caregivers provide important support to people needing care. This tax credit helps cover the caregiver's expenses for time and money spent caring for people who need support. Expenses could include: bathing, shopping, doing laundry, going to medical appointments or attending recreational outings.

Only one caregiver in a person's life can claim the credit. The main caregiver may be a:

- parent
- spouse
- relative
- friend
- neighbour



Eligibility for the Primary Caregiver Tax Credit

The primary caregiver must:

- provide care for at least three months
- not receive any money for providing care

The person requiring care must:

- Be assessed at Level 2, 3, or 4 under the Manitoba Home Care Program guidelines. This assessment is based on the amount and type of care needed for tasks like bathing, dressing, eating meals, mobility and receiving medical care.
- Identify the primary caregiver (except when the individual is under 18 years of age).

*If you are enrolled in the Children's disABILITY Services program or Community Living disABILITY Services program, please contact your family services worker about eligibility requirements.



For information on the Primary Caregiver Tax Credit:

- **General information:** Manitoba Finance's website provides a range of information and links for further information, please visit the website at:

www.gov.mb.ca/finance/tao/caregiver.html

- **Eligibility for caregivers and clients:** Please contact *At Your Service Manitoba*:

Phone: 1-866-626-4862 toll free

Email: Manitoba Health and Healthy Living at: RssAffairs@gov.mb.ca

- **Claiming the tax credit:** Please contact the Manitoba Tax Assistance Office:

Phone: 204-948-2115 in Winnipeg

Toll free: 1-800-782-0771

Email: TAO@gov.mb.ca

Website: www.gov.mb.ca/finance/tao/caregiver.html

- If you are caring for someone who is in the Community Living disABILITY Services or Children’s disABILITY Services programs, contact Manitoba Family Services and Consumer Affairs (FSCA):

Phone: 204-523-5230 in Winnipeg

Toll free: 1-800-563-8793

TTY: 204-948-3698 or 1-800-855-0511 (Manitoba Relay Service)

Email: incsup@gov.mb.ca

What is the Registered Disability Savings Plan?

The Registered Disability Savings Plan (RDSP) helps increase the long-term savings of a person with a disability. Money invested in the RDSP is tax-free until withdrawn. Contributions up to a specified maximum amount can be made by the beneficiary, family members and friends.

In addition, the federal government contributes matching grants and/or bonds to people with low incomes who are under the age of 50. Federal contributions help increase the RDSP savings over time.

The holder of the RDSP account can be the beneficiary, parent or legal representative of a person with a disability. The beneficiary must:

- be a Canadian resident
- have a social insurance number
- be eligible for the federal Disability Tax Credit

To qualify for the Disability Tax Credit, a qualified practitioner must certify that the person has a prolonged impairment by completing the Canada Revenue Agency *Form T2201*. For more information, please visit Revenue Canada’s website at:

www.cra-arc.gc.ca/tx/ndvdl/tpcs/rdsp-reei/menu-eng.html

Your bank or credit union will have more information on the RDSP. For an online list of banks or credit unions offering the RDSP, please go to:

www.disabilitysavings.gc.ca

and click on “Opening an RDSP”.

What is the Tax Free Savings Account?

The Tax Free Savings Accounts (TFSA) helps people save money that is tax-free. The TFSA offers flexibility because any money deposited or withdrawn from the account is not taxed.

The TFSA account holder must:

- be a Canadian resident
- be 18 years or older
- have a valid, Canadian social insurance number (SIN)

For more information on the TFSA, visit:

www.cra-arc.gc.ca/tx/ndvdl/tpcs/tfesa-celi/menu-eng.html



As a parent, how can I plan for the financial security of my child with a disability?

You can begin preparing for your child's future at any time.

- **Registered Disability Savings Plans (RDSP)** allow money to be saved long-term for a person with a disability. Money within an RDSP is not taxed until the funds are withdrawn. Click here for more information on RDSPs.
- **Trust funds** allow parents to set up long-term benefits for their child in the event they are no longer able to manage their child's financial needs. The trust fund is managed by a trustee, a person who makes sure the fund is used in the best interests of the child.
- **Estate planning** allows you to safeguard things you've acquired over your lifetime, such as your home, savings, investments and personal items, for your child's future needs. Estate planning identifies what you want for your child and helps you maximize income for your child.



A **trust fund** can include a number of assets including: cash, property, stocks, bonds or other types of investments.

Several key people should be involved when setting up a trust fund or an estate plan:

- **Lawyers:** They provide legal counsel about your will, administering your estate, power of attorney and health care directives.
- **Accountants/Financial Planners:** They give advice on tax management, investing for financial security and estate planning.
- **Financial institutions:** They give information about financial planning, investments and savings options to maximize savings for your child while he or she is a minor or an adult.

You may also want to consider some of the following resources:

- **Continuity Care:** This not-for-profit organization helps Manitobans plan an enriched quality of life for their family member with an intellectual disability. For more information, visit:

www.continuitycare.ca/index.html

- **The Public Trustee of Manitoba:** This government agency manages and protects the affairs of vulnerable adults or individuals who are unable to manage their own affairs and have no one else willing or able to act. For more information, visit:

www.gov.mb.ca/publictrustee

- **A Legal Information Guide for Seniors:** Developed by the Manitoba Seniors and Healthy Aging Secretariat, this publication helps people learn more about estate planning. For more information, visit:

www.gov.mb.ca/shas/publications/guide_for_seniors.pdf



What financial help is available for adults with a disability?

Adults with a disability who need financial help may be eligible for the following programs:

- Canada Pension Plan (CPP) Disability Benefits
- Manitoba Employment and Income Assistance

Depending on how a disability was acquired, adults with a disability may also be eligible for financial assistance from the Workers Compensation Board, Manitoba Public Insurance or other insurance providers.

Canada Pension Plan (CPP) Disability Benefits

Employed adults who become disabled, or who have a decline in their abilities, may be eligible for monthly benefits. To be eligible they must:

- be 18 to 65 years of age
- have sufficient CPP contributions at the time of becoming disabled
- have a disability that is severe (ex: unable to regularly do gainful employment) and prolonged (ex: genetic disorders or disabilities likely to result in death)

Contact your local Service Canada office for information on how to complete the application for CPP disability benefits. For more information, visit:

www.servicecanada.gc.ca



Manitoba Employment and Income Assistance

Employment and Income Assistance (EIA) provides:

Financial help for basic needs such as:

- food, clothing, personal needs, household supplies
- shelter, water, electricity, home heating
- health needs such as prescription drugs, dental work, optical services, therapeutic diets, transportation to and from medical appointments and hearing aids

Help for people with disabilities:

- financial help for disability-related items such as the additional costs of living in a community setting, mobility devices and repairs
- services that help people be an active part of the community such as help with the costs of transportation for social activities for wheelchair users

Employment and Training supports

Under the Get Ready! Policy, adults with disabilities may continue to receive EIA benefits while attending an approved training or education program for up to four years.

EIA may provide extra money to help with preparing for, and getting, a job. It may help with:

- child care expenses
- work expenses such as work clothing or work boots
- telephone costs if needed for a job
- up to \$25 per month for miscellaneous expenses when participating in an approved training program
- \$100 rewarding work allowance per month for each adult who works full-time and \$50 per month for part-time workers

How to apply for EIA

For more information on how to apply for Employment and Income Assistance, contact your local EIA office:

Winnipeg: 204-948-4000

Toll free: 1-877-812-0014

Website: www.gov.mb.ca/fs/assistance/eia.html

Emergency Support

After-hours emergency help may be available if you have a crisis that cannot wait until regular business hours. To contact emergency support, call:

Winnipeg: 204-945-0183

Toll free: 1-866-559-6778

I receive help from the Employment and Income Assistance Program. What income or financial resources will not affect the assistance I receive?

EIA does not count some income as financial resources. Some examples are:

- part of employment earnings
- part of rent or room and board paid to the participant
- ongoing cash contributions of up to \$500 per month from family or friends
- foster home maintenance payments
- Manitoba Shelter Benefit
- Canada Child Tax Benefit
- Universal Child Care Benefit
- tax credit refunds
- Manitoba Prenatal Benefit Program benefits
- earnings of children who are in school or an EIA-approved program, full-time
- Registered Disability Savings Plan withdrawals

EIA does not count some assets as financial resources. Some examples are:

- any cash or money in bank accounts (called liquid assets) up to \$4,000 per person to a maximum of \$16,000 per family
- the participant's main home (called a primary residence), automobiles and other essential property
- children's trust funds up to \$25,000 (in cash or property) held in trust for a dependent child
- Registered Education Savings Plans
- approved individual development accounts
- EIA Disability Trust Funds of up to \$100,000
- Registered Disability Savings Plans

These are only examples. EIA staff can provide more information.

