



The “Special Needs” Planner

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Gifts and Assets Coalition

People receiving ODSP benefits can receive only \$6000 of non disability related gifts in a 12 month period and can hold only \$5000 of liquid assets. Amounts in excess of these limits can eliminate a person’s eligibility for benefits. These limits force many people with disabilities in Ontario to live in poverty. Helen Ries, who can be contacted at (helen.ries@gmail.com) is heading up a group called Gifts and Assets Coalition. Its purpose is to lobby the Ontario Government to eliminate the limits on gifts and to increase the asset limit to \$100,000. These changes were adopted in British Columbia in 2015 and are expected to allow families and friends of people with disabilities to help them to secure a decent quality of life without government interference. We at the Special Needs Planning Group encourage you to join the coalition and to support their efforts toward enhancing the quality of life of people with disabilities in Ontario. You can get more information and join the Gifts and Assets Coalition from their website <http://gifts-assets.ca/>

Changes at the ODSP:

It seems that the ODSP folks have been quite busy over the last few months. There are a number of changes on the way.

At the end of September, the maximum benefit for individuals will increase to \$1128 per month

and the Board and Lodge rate will increase to \$875 per month.

As of May 2016, a person who doesn’t have a bank account will be able to receive their benefits on a reloadable payment card provided by the Royal Bank of Canada. It looks and works like a debit card and each month the ODSP benefit is automatically loaded onto the card. This means that the person no longer has to use expensive cheque-cashing services. Although the card is of benefit to ODSP recipients, its’ use will save the government \$1.7 million annually.

In September, the Government modified the ODSP application process for those individuals who have been deemed eligible for adult developmental services and supports through the Developmental Services Ontario (DSO) process. These individuals may skip the disability determination stage of the ODSP application process; they need only meet the financial requirements. This eliminates the duplication of proving over and over again that a person meets the Ontario Government’s definition of disability.

Beginning in late fall of 2016, the ODSP will no longer be sending a monthly drug card. Instead, people receiving ODSP benefits will be able to access their prescription medications simply by producing their Health Card to the pharmacy. This will change the current method of taking the monthly Drug Card to the pharmacy and will mean that a person is not restricted to using only one pharmacy.

"When we choose not to focus on what is missing from our lives but are grateful for the abundance that's present....we experience heaven on earth." ... S. Breathnack

Heightened Importance of the DTC

Over the last few years, the Disability Tax Credit has taken on a new level of importance. It affects a variety of income tax items which are outlined in our Tax Tips article available on our website. The DTC was designed to reduce the taxable income of people with disabilities or those family members who were supporting them in a financial sense. That hasn't changed but in recent years, the DTC has become the prerequisite for the RDSP and now for the reduced tax rate on Henson Trusts created in parent's wills. Without having the DTC in place, a person is not able to take advantage of up to \$90,000 of Government grants and bonds in the RDSP and the income retained in the Henson Trust will be taxed at the highest marginal tax rate.

As of January 2016, Canada Revenue Agency has modified the DTC Application Form (T2201). It has been reduced from 12 to 6 pages and it now allows the applicant to request a re-filing of prior year tax returns right on the form itself thus speeding up the process of receiving applicable refunds. The T2201 form can be found at: <http://www.cra-arc.gc.ca/E/pbg/tf/t2201/t2201-15e.pdf>

The "Special Needs" Plan:

The "Special Needs" Planning Group was established with the sole purpose of assisting families in the provision of a secure financial future for their sons and daughters with disabilities. This is typically accomplished through the use of the Ontario Disability Support Program, Henson Trusts funded with low cost Life Insurance, Registered Disability Savings Plans, The Trustee Support Program and a whole host of other tools. The "Special Needs" Plan helps to provide the resources and expertise necessary for an enhanced quality of life for the person with the disability.

For information or comments, Contact:

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Life is not about waiting for the storms to pass...it's about learning how to dance in the rain!

