

# Tax credits available to people with diabetes

## Canadian Diabetes Association issues guide to federal tax credits and benefits

TORONTO, April 11 /CNW/ - The Canadian Diabetes Association today issued a guide to federal and provincial tax credits and benefits available to people with diabetes, and strongly encouraged parents of young children with diabetes to apply for the Disability Tax Credit worth \$6,596.

"A number of tax changes were made in the 2005 federal budget which most people are not aware of," said Dr. Karen Philp, National Director, Government Relations and Public Policy, Canadian Diabetes Association. "We developed this guide because we've received a lot of calls from people with diabetes trying to understand the ins and outs of the various medical and disability tax credits that they may be eligible for."

The Association's User-Friendly 2005 Guide to Tax Benefits for Canadians Living with Diabetes is available online at [www.diabetes.ca/advocacy](http://www.diabetes.ca/advocacy). The User-Friendly Guide highlights four federal or provincial tax credits for which Canadians with diabetes may be eligible:

- The Disability Tax Credit (DTC), worth \$6,596, is intended to compensate Canadians for time taken from daily activities to administer 'life-sustaining' therapy. Under this definition, insulin is considered a life-sustaining therapy. Insulin-dependent Canadians are eligible for the DTC provided a physician certifies that the insulin therapy takes, on average, a minimum of 14 hours per week to administer the insulin, and monitor blood glucose levels. Parents of insulin-dependent children age 15 or under can claim the DTC on behalf of the child.

"Most adults with type 1 diabetes may not be able to meet the 14-hour per week criteria of the Disability Tax Credit, however parents of children 15 and under are much more likely to qualify, as the time spent by both parent and child counts towards the 14-hour per week criterion," said Philp.

Once certified as eligible for the Disability Tax Credit, Other provincial or territorial disability tax credits may also be available. For example, Saskatchewan offers a matching disability tax credit worth an additional \$6,596.

- The Medical Expenses Tax Credit is designed to ease the burden of high medical costs. Tax filers are eligible if they have receipts for medical expenses (diabetes related or otherwise) that add up to more than 3% of net income or \$1,844 - whichever is less.

Canadians living with diabetes in rural communities should be Aware that the Medical Expenses Tax Credit also covers travel Expenses when obtaining medical treatments 40 km or more away from home. If travelling at least 80 km, you may also be able to deduct accommodation and meal expenses. For more information, please visit the Canada Revenue Agency at [www.cra.gc.ca](http://www.cra.gc.ca) or call 1-800-387-1193.

- The Refundable Medical Expense Supplement, worth \$750, is available to working Canadians earning \$36,663 or less. Those eligible can claim this credit for the same medical expenses claimed for the Medical Expenses Tax Credit.
- The Child Disability Benefit, worth \$2,000, may apply to parents with an insulin dependent child. For parents with a child who qualifies for the Disability Tax Credit, the Child Disability Benefit is calculated automatically and added directly to the Canada Child Tax Benefit. In order to qualify for the Child Disability Benefit, both parents must file an income tax return each year, even if one parent has no income to report.

Canadians have a few weeks more to file their 2005 tax returns before the April 30th deadline. The Canadian Diabetes Association encourages tax filers to check with the Canada Revenue Agency at [www.cra.gc.ca](http://www.cra.gc.ca) or call 1-800-387-1193 to ensure they are claiming all applicable tax credits and benefits. More than two million Canadians have diabetes and this number is expected to increase dramatically as the population ages. Risk factors for type 2 diabetes include being age 40 and over, being related to a person with diabetes, being of Aboriginal, Hispanic, South Asian, Asian or African descent, and being overweight or obese.

The Canadian Diabetes Association works to prevent diabetes and improve the quality of life for those affected, through research, education, service and advocacy. With a presence in more than 150 communities, the Canadian Diabetes Association's strong network of assistance includes volunteers, employees, healthcare professionals and partners. The Canadian Diabetes Association - Know who to turn to.

For further information: Alexis Mantell, Senior Manager,  
Strategic Communications and Media Relations, (416) 408-7026,  
[alexis.mantell@diabetes.ca](mailto:alexis.mantell@diabetes.ca)