

How to apply for the Disability Tax Credit (DTC)



The **Disability Tax Credit** (DTC) is a non-refundable tax credit that helps persons with disabilities or their supporting persons reduce their income taxes. The DTC provides greater tax equity by allowing for some relief for disability costs. The DTC is available to individuals with diabetes using insulin whose doctor certifies that they spend at least 14 hours per week on specific activities related to determining and administering insulin. You can access the DTC form T2201 [here](#).

Who qualifies?

A person who requires “Life Sustaining Therapy” may be eligible under the 2 following conditions:

- Therapy is required to support a vital organ
- Therapy is needed at least 3 times a week for an average of **at least 14 hours per week**.

The Canada Revenue Agency (CRA) must receive confirmation that the applicant spends at least 14 hours per week on the activities specified by the CRA that are related to administering insulin. These activities include :

- Monitoring blood sugar
- Preparing and administering insulin (loading, injecting and assessing the amount of insulin to deliver)
- Calibrating/preparing necessary equipment, including changing infusion sites for the insulin pump
- Adjustment of insulin dosage-blood glucose results recording and other activities to help adjust the dosage of insulin
- Treating (administering glucose or insulin for) hypoglycemia or hyperglycemia

There are certain activities that the CRA does not recognize, it is very important to exclude the following when applying for the DTC:

- Counting carbohydrates
- Exercising
- Recovering from hypoglycemia or hyperglycemia
- Meal preparation
- The time the insulin pump takes to deliver insulin
- Attending medical appointments
- Shopping for medication

You may wish to review the following guidelines to help move your application along without delay:

- 1) Ask your doctor if he/or she is familiar with the DTC for people living with Type 1. Your doctor will be signing the form therefore it is important that they have good knowledge regarding the process. Many doctors are unaware that the DTC covers individuals living with diabetes. Following a legislation change in 2004, the DTC includes individuals who require therapy to support a vital organ, the pancreas. Note that it is best if you have known your doctor for at least 2 years, otherwise your application could be denied.

- 2) Explain how you meet the **“greater than 14 hours”** criteria. Remember that certain terms must be omitted when filling out the application form. Any medical files and logs **should not** be sent to the CRA. These are private and confidential and are not required by the CRA.
- 3) The CRA cannot perform any medical assessments. It is up to the doctor to complete the section on life sustaining therapy and duration. The doctor must definitively state that you exceed the 14 hours period. Your doctor must also sign, date and stamp the application with their ID number.
- 4) The patient needs to complete the 1st page of the DTC and sign at the bottom, allowing the CRA to contact the doctor (this is to send a letter indicating the patient spends 14 hours or more on therapy to sustain a vital organ).
- 5) It is up to the patient to mail the original form to the taxation centre (see page 6 of the form for your local office information). It is recommended that you retain a copy as well.
- 6) The CRA will confirm receipt of the application within 6 weeks of receiving it. It is important that you contact your doctor and advise them they will be receiving a letter from the CRA hereafter. **Within 30 days of receipt of the CRA letter, the doctor must respond** (on their letterhead) confirming that you exceed the 14 hours. If the doctor does not pursue the CRA’s request, your application will be denied.
- 7) The CRA is required to provide a response regarding the approval of the DTC within 180 days of the application receipt date.
- 8) If for whatever reason you are denied, you are eligible to apply again one year after the original application.

Once you are approved for the DTC, you can apply for other federal, provincial, or territorial programs such as the **registered disability savings plan**, the **working income tax benefit**, and the **child disability benefit**.

We previously hosted a webinar called **Achieving Financial Stability**, which discusses the DTC and how to maximize your medical expense tax credits and deductions.

To watch the recorded webinar, please see the link:

<https://www.youtube.com/watch?v=5mNTQ7GXrZY>

For more information on Tax Credits and Your Rights, please see the following link:

<https://www.diabetes.ca/learn-about-diabetes/your-rights/tax-credits>

If you have any further questions or concerns regarding the DTC (e.g. filling out the T2201 form), our virtual branch team is available to assist you Monday to Friday from 7:30 a.m. to 6:30 p.m. (EST).

**DIABETES
CANADA**

1400 – 522 University Avenue
Toronto, Ontario M5G 2R5
Donation Hotline: 1-800-BANTING (226-8464)
[diabetes.ca](https://www.diabetes.ca)



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