

The Disability Tax Credit Certificate

Tip Sheet for Audiologists

What is the Disability Tax Credit (DTC)?

The Canada Revenue Agency's (CRA) [Disability Tax Credit \(DTC\)](#) is a non-refundable tax credit that helps persons with disabilities or their supporting persons reduce the amount of income tax they may have to pay. An individual may claim the disability amount once they are eligible for the DTC. This amount includes a supplement for persons under 18 years of age at the end of the year.

The purpose of the DTC is to provide for greater tax equity by allowing some relief for disability costs, since these are unavoidable additional expenses that other taxpayers do not have to face. The DTC can be applied as far as 10 years back.

The [Disability Tax Credit Certificate \(DTC\) and Related Information](#) document contains information for individual consumers as well as [medical practitioners](#) (e.g. audiologists), which includes, but is not limited to eligibility, definitions and a self-assessment questionnaire. To apply for the DTC, an individual must complete and submit an application – [DTC Certificate Form T2201](#).

Purpose of This Document

The 'DTC Tip Sheet for Audiologists' was developed to provide more clarity, helpful tips, and reference materials for audiologists as they complete the DTC Certificate as medical practitioners to certify "hearing" impairment. However, audiologists are encouraged to seek specific information directly from the CRA.

This Tip Sheet should serve as a support document, and audiologists should use the information at their own discretion. For more information, medical practitioners such as audiologists can visit [CRA's website – Information for Medical Practitioners](#).

What do audiologists need to know?

- Audiologists are medical practitioners who may certify hearing impairments on the DTC Certificate Form T2201
- Audiologists have a responsibility to complete Part B of the form including the effects of the impairment if a patient requests it. Audiologists must use their best judgment when certifying the effects of the impairment, but audiologists do not make the decision regarding eligibility, the CRA does. For more details, visit the CRA's website [here](#)

Eligibility Criteria for the DTC

There are different ways for which a person can be eligible for the DTC. The person must meet one of the following criteria:

- be blind
- be markedly restricted in at least one of the basic activities of daily living (e.g. hearing)
- be significantly restricted in two or more of the basic activities of daily living (can include a vision impairment)
- need life-sustaining therapy

In addition, the person's impairment must meet all of the following criteria:

- be prolonged, which means the impairment has lasted, or is expected to last for a continuous period of at least 12 months
- be present all or substantially all the time (at least 90% of the time)

Learn more about the eligibility criteria [here](#).

Frequently Asked Questions

If I'm not sure whether or not my patient meets the criteria for the DTC, should I sign the form?

Tip: Complete the form to the best of your ability; the CRA will make the final decision on whether someone is eligible for the DTC – not the audiologist. Although the CRA will make the final decision, it is expected that the medical practitioner (audiologist) has identified that there is a degree of severity that would support eligibility.

What are the criteria to receive the DTC for hearing loss?

It is commonly thought that only those with profound hearing loss who use manual communication such as American Sign Language or deafened individuals who rely on lip/speech reading qualify for the DTC, however this is not accurate.

From [Form T2201](#) - page 2:

Your patient is considered markedly restricted in hearing if, even with the use of appropriate devices, they meet both of the following criteria:

- *they are unable or take an inordinate amount of time to hear so as to understand another person familiar with the patient, in a quiet setting*
- *this is the case all or substantially all of the time (at least 90% of the time)*

Note: Devices for hearing include hearing aids, cochlear implants and other such devices.

Inordinate amount of time – This is a clinical judgment made by a medical practitioner who observes a recognizable difference in the time it takes a person to do an activity. Usually, this equals **three** times the average time needed to complete the activity by a person who does not have the impairment.

Examples of markedly restricted in hearing (examples are not exhaustive):

- *Your patient must rely completely on lip reading or sign language, despite using a hearing aid, to understand a spoken conversation, all or substantially all of the time (at least 90% of the time).*
- *In your office, you must raise your voice and repeat words and sentences several times, and it takes an inordinate amount of time for your patient to understand you, despite the use of a hearing aid.*

Tip: Eligibility for the DTC is based on the functional impairment of the patient, not the medical diagnosis.

Although the DTC document states that “Your patient must rely completely on lip reading or sign language, despite using a hearing aid, to understand a spoken conversation, all or substantially all of the time (at least 90% of the time)”, this is only an example of what markedly restricted might look like, not the actual criteria for receiving the DTC.

It is up to the audiologist to look at their patient as a whole to determine if there are other examples that might fit the actual criteria – which are:

Your patient is considered markedly restricted in hearing if, all or substantially all of the time (at least 90% of the time), they are unable or take an inordinate amount of time to hear so as to understand another person familiar with the patient, in a quiet setting, even with the use of appropriate devices.

It is important to remember that eligibility for the DTC is based on the effects of the impairment and not the diagnosis.

Should I attach a letter of support to the DTC Certificate form with more examples of how my patient is markedly restricted in order to help them qualify? If yes, what are some other examples I could include?

Tip: Yes! In addition to completing Part B as well as the section on the effects of impairment on page 5, the CRA has said that they welcome additional supportive information as part of the review process. Always add a copy of the audiogram and any other audiological assessment data to assist with this process. It is also critical to the determination process to provide sufficient practical detail to demonstrate how the patient's hearing loss functionally impacts their basic activities of daily living.

Here are some examples that could be used to demonstrate that your patient is markedly restricted when communicating with people that are familiar to them, in a quiet setting, even with the use of an appropriate device like a hearing aid or cochlear implant:

- **Whenever visual cues are compromised.** Examples could be in environments where the speaker is not facing the patient or when lighting is not optimal.
- **Whenever distance to the speaker is a factor.** An example could be when the patient is not positioned close to the sound source, such as in a meeting or large group interactive discussion, where the patient is unable to strategically position themselves to hear multiple people speaking at various points of distance (even if everyone is speaking one at a time).
- **In any environment where the speakers, even if familiar to the patient, are not using effective communication strategies.**
- **During situations where members of the family need to communicate with the patient while sleeping.** The sleeping state is a quiet environment where others may attempt to communicate with the patient. They would be markedly restricted in this scenario as compared to people who do not experience hearing loss. Although an emergency situation would not likely meet the criterion of 90% of the time, it may still be a valid addition to the information you provide to demonstrate the effects of the impairment.

Can I charge patients for my time when completing the DTC certificate?

Tip: Yes, this is allowed and some practitioners do charge for it. If the patient is on social assistance, they may take the bill to their case worker for possible reimbursement. Also, on the DTC form it states: "You [the patient] are responsible for any fees that the medical practitioner charges to complete this form or to give us [CRA] more information. However, you may be able to claim these fees as medical expenses on line 330 or 331 of Schedule 1 of your tax return."

Note: The [Disability Tax Credit Promoters Restrictions Act](#) (DTCPPRA) received Royal Assent on May 29, 2014. The Act limits excessive fees that can be charged for helping to complete a DTC request, and ensure that more money stays in the pockets of people with disabilities and their caregivers who need it most. Medical practitioners such as audiologists are exempt from the DTC regulations and not considered to be "promoters". They can still charge their patients a fee for the completion of the forms.

What is a “quiet setting”?

Tip: The “quiet setting” criterion is frustrating to address as the real world is not quiet. In the 2001 legal decision from case law, *Barber vs. the Queen*, the court found that a:

“quiet setting must be the normal setting that a person encounters during the day when they are performing the functions of daily living.”

The court went on to say that:

“it must refer to a normal situation in which a normal person would find themselves during the context of conducting their life during a normal day.”

While the CRA does not clearly and consistently implement this ruling of its own accord, we suggest that, if you feel it is relevant, you may want to consider invoking the definition.

More information on *Barber vs. the Queen* can be found at:

<http://www.canlii.org/en/ca/tcc/doc/2001/2001canlii863/2001canlii863.html>.

It is important to include information about the “normal setting” for your patient. A real life example of eligibility for the DTC should take notice of the person’s personal life as well as their profession, career, studies, etc.

For example: A hard of hearing parent at home with young children must contend with multiple competing noises and, even with the use of hearing aids, may not properly be able to hear their children, ensuring a safe environment.

These are real challenges that can be very stressful and require resilience (and accommodations) for a person wearing hearing aids (or a cochlear implant).

What if I am asked to sign the DTC application for a young child or infant, who I cannot fully assess? Should I sign the form?

Tip: In situations where a full assessment or determination of “markedly restricted” is not possible, many audiologists sign the form with the position that they would rather err on the side of caution for the child’s family until there is proof that the child is not markedly restricted. Again, the CRA will make the final determination based on the certificate and supporting documentation.

Should I sign the DTC for my patients who have single-sided deafness?

Tip: Single-sided deafness (SSD) can be very debilitating and affects people in different ways. Providing additional supportive information about how SSD affects your patient’s communication ability in “quiet” (normal) settings with familiar speakers may be helpful to the CRA in assessing eligibility for the DTC. You may want to consider providing examples where communication related to directionality could take an inordinate amount of time for your patient.

Note: Anecdotally, SAC and CAA are aware that cases of SSD have not often been approved.

Some challenging quiet environments could include:

- Driving a car (deaf side facing passengers)
- Interacting in circular group meetings (can be difficult even if participants are speaking one at a time and even worse if distance is a factor for large circular discussions)
- Whispered communication into the deaf ear in quiet environments such as at church, lectures or training

Are there any audiological references I can use to support patients in their application process, which would help define the severity of hearing loss?

Tip: Although the DTC application does not specifically outline audiological criteria for eligibility, there are a few definitions (e.g. VAC, WHO) that audiologists may reference in support of a patient's application.

Veterans Affairs Canada (VAC) Definition

For VAC purposes, a hearing loss disability exists when there is a Decibel Sum Hearing Loss (DSHL) 100 dB or greater at frequencies of 500, 1000, 2000 and 3000 Hz in either ear or 50 dB or more in both ears at 4000 Hz.

For VAC purposes, a non-disabling hearing loss exists when there is decibel loss greater than 25 dB at frequencies between 250 and 8000 Hz (inclusively), and this loss is not sufficient to meet VAC's definition of a hearing loss disability.

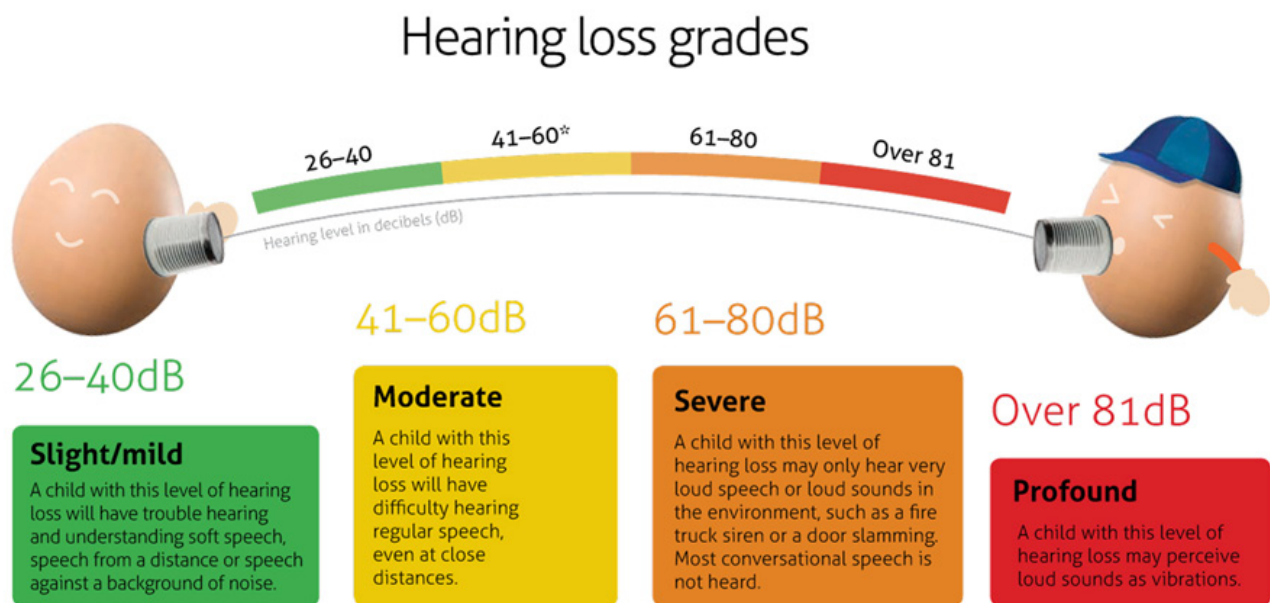
The VAC definition is interesting since it is a federal interpretation as to what constitutes a hearing loss disability.

The complete VAC definition and audiological criteria can be found at:

http://www.veterans.gc.ca/eng/services/after-injury/disability-benefits/benefits-determined/entitlement-eligibility-guidelines/hearing_loss

Information from The World Health Organization (WHO)

Grades of hearing impairment



*In the case of moderate hearing loss, the range for children is from 31-60 dB.

Disabling hearing loss: refers to hearing loss greater than 40 dB in the better hearing ear in adults and greater than 30 dB in the better hearing ear in children.

Note: While audiometric descriptors may provide a useful summary of an individual's hearing thresholds, they should not be used as the sole determinant for the provision of hearing aids. The ability to detect pure tones using earphones in a quiet environment is not in itself a reliable indicator of hearing disability. Audiometric descriptors alone should not be used as the measure of difficulty experienced with communication in background noise, the primary complaint of individuals with hearing loss.

WHO definition: http://www.who.int/pbd/deafness/hearing_impairment_grades/en/index.html

Additional Information and Tips:

- All claims are considered by the CRA on a case-by-case basis.
- The DTC Certificate Form T2201, is considered incomplete without the Effects of the Impairment section. The form can only be completed by a medical practitioner able to support the restrictions (e.g. audiologist for hearing).
- If the CRA needs more information or clarification for the claim, they will issue a letter directly to the medical practitioner.
- Being eligible for the DTC can open the door to other federal, provincial, or territorial programs such as the [registered disability savings plan](#) (RDSP)*, the [Canada Workers Benefit](#), and the [child disability benefit](#).

**The RDSP is a savings plan that is intended to help parents and others save for the long term financial security of a person who is eligible for the disability tax credit (DTC). For more information, please visit the [CRA website](#).*

Questions or comments?

If you have any questions or suggested tips, please contact Chantal Kealey, Director of Audiology at SAC: chantal@sac-oac.ca or [CAA](#).

Revised February 2020