

# From screening out to welcoming in: Promoting access to federal disability benefits

Alexi White

July 2026

### **About the author**

Alexi White is Director of Systems Change at Maytree

### **About Maytree**

Maytree is a Toronto-based human rights organization committed to advancing systemic solutions to poverty and strengthening civic communities. We believe the most enduring way to fix the systems that create poverty is to ensure that economic and social rights are respected, protected, and fulfilled for all people living in Canada. Through our work, we support non-profit organizations, their leaders, and people they work with.

© Maytree 2026

ISBN: 978-1-996945-07-0

Maytree  
77 Bloor Street West, Suite 1600  
Toronto, ON M5S 1M2  
CANADA

+1-416-944-2627

Email: [info@maytree.com](mailto:info@maytree.com)

Website: [www.maytree.com](http://www.maytree.com)

# Summary of recommendations

Canada's disability support programs are too often focused on screening people out when they should instead welcome them in. The problem begins with the federal government's reliance on the Disability Tax Credit (DTC) as the single access point for 17 federal disability programs. Though it was not designed for this purpose, the DTC has become the de facto doorway to a wide range of supports for people with disabilities, including income security, housing, employment, education, health care, child care, and accessibility.

Yet this doorway is too narrow and too difficult to navigate. The DTC is still treated largely as a non-refundable tax credit, even though its primary function today is as a social policy tool that determines access to much of Canada's disability support system. As a result, restrictive eligibility rules and administrative barriers do not just limit access to one tax credit; they shut people out of a broader network of federal, provincial, and territorial supports.

We need a government-wide shift in mindset. Our recommendations are intended to transform access to federal disability benefits through reforms to the definition of disability, program administration, application processes, and policy governance. In place of today's narrowly administered, perennially underutilized DTC, we propose a new, more accessible path to disability benefits.

## System-level reforms

The following recommendations chart a path to a reformed system of federal disability benefits. While we understand that such reforms will take time, they should begin right away.

### **Embed a human rights framework in all federal disability policy**

1. Explicitly embed human rights principles in federal disability policy, grounded in Canada's commitments under the Convention on the Rights of Persons with Disabilities and the principle of "*nothing about us without us.*"
2. Establish structured and ongoing engagement mechanisms with people with disabilities and their representative organizations in the design, development, administration, and evaluation of all federal disability programs.

## **Reform the definition of disability**

3. Develop and adopt a broader federal definition of disability to replace the current restrictive definition in the Income Tax Act. Align the new definition with modern frameworks, including a biopsychosocial model of disability and definitions used in legislation such as the Accessible Canada Act.
4. Ensure the new definition is broad enough to encompass provincial and territorial disability definitions, removing the need for re-adjudication by the federal government.

## **Enable automatic qualification for federal benefits**

5. Once a broader disability definition is in place, grant automatic qualification for federal disability benefits to individuals already receiving disability benefits through provincial or territorial social assistance programs.
6. Develop federal–provincial–territorial data-sharing systems, with appropriate privacy protections, to facilitate automatic qualification for federal disability benefits.

## **Reform program governance and responsibility**

7. Transfer responsibility for assessing disability eligibility for federal benefits from the Canada Revenue Agency (CRA) to Employment and Social Development Canada (ESDC), leaving administration of the Disability Amount with CRA.
8. Have appeals of disability determinations heard by the Social Security Tribunal rather than the Tax Court of Canada.
9. Strengthen inter-department coordination on disability policy, with ESDC playing a central policy leadership role and Finance Canada and CRA supporting implementation.

# Short-term program-level reforms

The following recommendations consist of immediate programmatic reforms. They address urgent issues but are not a replacement for system-level reform.

## Improve awareness, communication, and navigation support

10. Rename the DTC certificate to better reflect its function as a doorway to federal disability benefits.
11. Develop a national awareness strategy about the DTC and related benefits, working with disability organizations, caregiver networks, practitioner associations, and tax clinics.
12. Increase funding for the Disability Benefit Navigation program to ensure free community-based assistance for people applying for the DTC, Canada Disability Benefit, and other disability programs.

## Correct restrictive interpretation of eligibility rules

13. Immediately end the CRA policy interpreting “all or substantially all of the time” as 90 per cent of the time, as this interpretation conflicts with court rulings and creates unnecessary barriers.

## Reduce administrative and access barriers

14. Implement accessibility improvements to CRA service delivery, including improvements to technology access, phone systems, communication accessibility, and staff training.
15. Create secure and accessible representation options by allowing caregivers, interpreters, and others to assist applicants.
16. Redesign the DTC application form in plain language and streamline its structure, reducing duplication and complexity.
17. Allow applicants to complete functional assessment sections themselves, with practitioners certifying accuracy.
18. Pilot an “honour-and-audit” application model, relying on applicant attestations with risk-based or random audits instead of mandatory medical certification for every application.

## **Support medical practitioners**

19. Launch an education campaign for medical practitioners explaining DTC eligibility criteria and the application process. Clarify that practitioners provide information rather than adjudicate eligibility.
20. Address incomplete practitioner submissions, including through follow-up notifications to applicants and surveys of practitioner experiences.

## **Reduce reapplication burdens**

21. Recognize lifelong disabilities in DTC rules and reduce the use of temporary certificates, eliminating unnecessary reapplications.
22. Implement simplified renewal processes nationwide, building on the Manitoba pilot.
23. Allow applicants to reuse prior applications for renewals, with practitioner recertification where appropriate.

## **Reduce financial costs of applying**

24. Simplify the DTC application process and strengthen community supports so that for-profit consultants and promoters are no longer needed.
25. Adopt a standardized reimbursement model for medical practitioners completing Disability Tax Credit applications, mirroring the existing CPP Disability approach.
26. Expand financial supports for application costs beyond the current one-time reimbursement model, which is only accessible to Canada Disability Benefit recipients.

## **Improve data and evidence for policy development**

27. Develop a comprehensive DTC data strategy, including tracking application outcomes, uptake rates, rejected applications, and user experiences across sociodemographic categories.

# Context

This brief proposes reforms to the federal disability benefit system. It aims to turn a system built to screen people out into one designed to welcome them in.

## Too many Canadians with disabilities are prevented from accessing federal disability benefits

Though not designed for this purpose, the federal Disability Tax Credit (DTC) has become the single access point for 17 federal disability programs and a growing number of provincial and territorial ones, making it the de facto doorway to a world of disability supports in Canada.<sup>1</sup>

Unfortunately, this doorway is too narrow for some and too difficult to navigate for others.

Despite its central role, we do not have good data on the proportion of people with a disability who have qualified for a DTC certificate. We do know that the DTC is claimed by only a small minority of Canadians with disabilities. Statistics Canada estimates that 14.6 per cent of persons with disabilities claim the DTC; this number increases to only 19.5 per cent of persons with severe disabilities and 34.8 per cent of those with very severe disabilities.<sup>2</sup>

Uptake also varies significantly by disability type, with higher participation among individuals with developmental disabilities and lower participation among those with pain-related conditions. This suggests that the DTC disproportionately favours disabilities that align with medicalized or easily observable criteria.

This brief explores the reasons for poor uptake and offers recommendations on how to address them. It considers:

- The DTC's **overly restrictive definition of disability** and how to amend it so that more people can access benefits.
- The **access barriers** that make it difficult for qualified applicants to navigate and complete the application process.

---

1 For the full list of programs, see Appendix E in: Disability Advisory Committee. (2024). *Fifth Annual Report of the Disability Advisory Committee*. <https://www.canada.ca/en/revenue-agency/corporate/about-canada-revenue-agency-cra/disability-advisory-committee/2024-full-report.html>.

2 McDairmid, C. & Choi, R. (2026). *Technical report on disability measurement in Canada*. Statistics Canada. <https://www150.statcan.gc.ca/n1/pub/89-654-x/89-654-x2026001-eng.htm>.

- How a **lack of coordination** across federal departments is holding back progress.

A system that excludes the majority of intended recipients is not functioning as an effective doorway to federal disability supports. These supports should be available to all people with disabilities who need them, and no eligible recipient should be denied access to benefits because of administrative barriers. Canada's human rights commitments under the International Covenant on Economic, Social and Cultural Rights and the Convention of the Rights of Persons with Disabilities compel the federal government to act.

### **Reforms to federal disability policy must follow the human rights principle of "nothing about us without us"**

Canada's approach to disability policy should be grounded in its commitments under the Convention on the Rights of Persons with Disabilities (CRPD), which emphasizes dignity, autonomy, and full participation in society. Central to the Convention is the principle of "nothing about us without us," which affirms that people with disabilities must be meaningfully involved in decisions that affect them.

Article 4(3) of the CRPD requires governments to consult closely with persons with disabilities, including through their representative organizations, in the development and implementation of legislation and policies that affect them.

Ensuring that disability benefits are administered effectively requires more than technical program design. It requires structured and ongoing engagement with people with disabilities in the design, development, administration, and evaluation of programs. Any efforts to increase access to federal disability benefits must include embedding these practices across federal disability policy.

# The primary function of the DTC is no longer as a tax credit; it is best defined as the door to a world of supports

A common view within government is that the DTC is primarily a non-refundable tax credit designed for horizontal tax equity<sup>3</sup> by offsetting disability-related expenses.<sup>4</sup> However, while this was once the defining feature of the DTC, is it the wrong definition for today.

Instead, the DTC is best defined as a social policy tool that acts as the doorway to federal supports for people with disabilities. Programs tied to the DTC help with income security, housing, employment, education, health care, child care, accessibility, and more. This list does not include the growing number of provincial and territorial programs that also use the DTC certificate to determine eligibility.

As a non-refundable tax credit, the DTC was never designed with low-income Canadians in mind, yet it has become an indispensable doorway for them. Consider that in 2022 only 64 per cent of DTC certificate holders claimed the credit on their taxes;<sup>5</sup> this proportion is likely to decrease as more low-income Canadians seek a DTC certificate so they can access the new Canada Disability Benefit (CDB). The reality is that a large proportion of certificate holders pay too little in tax to claim the DTC itself. For a growing number of Canadians with disabilities, the DTC is merely a doorway to other benefits.

Thus, policymakers face a critical question: Who will be allowed to access federal disability supports, and how? It is no longer reasonable that tax policy considerations play a determining role in who can and cannot access these benefits. It is time for system-wide reform.

- 
- 3 Horizontal tax equity is the concept that people with similar means should pay similar taxes. In this context, it is used to suggest that unavoidable extra costs resulting from a disability should reduce one's taxable income so a person's after-tax outcome is closer to that of a non-disabled individual with similar income.
  - 4 For the 2026 tax year, the DTC offers a tax credit of \$10,341 for those aged 18 and over, and \$16,373 for those 17 and under. At a 14 per cent credit rate, the DTC's maximum annual dollar value is \$1,448 for an adult and \$2,292 for a child, assuming the claimant pays enough tax to receive the full credit.
  - 5 Disability Advisory Committee. (2024). *Fifth Annual Report of the Disability Advisory Committee*. <https://www.canada.ca/en/revenue-agency/corporate/about-canada-revenue-agency-cra/disability-advisory-committee/2024-full-report.html>.

# The government is aware of the core challenges with the DTC and has committed to addressing them

The Disability Advisory Committee (DAC) of the Canada Revenue Agency (CRA) has long highlighted the deficiencies in the DTC and pressed the government for change. While this has resulted in some important progress in areas under direct CRA control, several of the most substantive recommendations – those requiring attention from Finance Canada or other departments – have yet to be addressed. Across five reports since 2019, the DAC has argued that:

- The DTC’s **definition of disability is too narrow** and rooted in an outdated medical model that focuses on severe and prolonged impairments rather than the real-world barriers people experience. The DAC emphasizes the need to interpret disability using modern frameworks, such as those reflected in the Accessible Canada Act and the UN Convention on the Rights of Persons with Disabilities, which focus on the interaction between impairments and societal barriers.
- Administrative and procedural **barriers significantly limit access** to disability supports, even for those who qualify. These barriers include complex and confusing application forms, inconsistent interpretation of eligibility criteria, reliance on medical practitioners who may not fully understand the program, and limited awareness among both the public and health professionals about the DTC and related benefits.

Importantly, these are known issues for federal disability policy more broadly. Pillar 4 of Canada’s Disability Inclusion Action Plan (DIAP) promises a modern approach to disability across the federal government – one that will address the challenges that persons with disabilities face in accessing federal programs and benefits.<sup>6</sup>

- The DIAP acknowledges that the government must **overhaul the definition of disability**, committing to “work across government and with the disability community on how a common definition of disability could be used across the Government of Canada.”
- The DIAP acknowledges that **benefits are inaccessible**, highlighting that “many disability programs are not accessible to qualified individuals because of the barriers in the application process.”

---

6 Government of Canada. (2022). *Canada’s Disability Inclusion Action Plan*. <https://www.canada.ca/en/employment-social-development/programs/disability-inclusion-action-plan/action-plan-2022.html>.

There is widespread agreement on the challenges with the current system. It is time for action.

## Early actions to improve DTC access are welcome and form a foundation on which to build

The 2026 Spring Economic Update announced several important administrative changes that will have a modest impact on expanding access to federal disability supports, including streamlining the DTC application for individuals with certain long-lasting medical conditions, and expanding the list of medical practitioners who can certify eligibility.<sup>7</sup> The government estimates that this will unlock \$345 million more in disability supports over six years for people who have been previously excluded due to administrative barriers.

There have been several other changes to *the Income Tax Act* since 2021 that touch on issues raised by the DAC, including:

- Permitting a trust established for a beneficiary who is eligible for the DTC to designate a property as the principal residence when all designation requirements and conditions are satisfied.
- Expanding the definition of a qualifying family member under the Registered Disability Savings Plan to include a sibling of the beneficiary.
- Expanding the list of mental functions of everyday life used in DTC eligibility assessments.
- Expanding eligibility for the DTC to include more individuals undergoing a life-sustaining therapy.

This is a strong foundation on which to build, but it is slow and piecemeal. We urge the government to adopt a more ambitious agenda for reform in the 2027 budget, guided by the recommendations in this report.

---

<sup>7</sup> Government of Canada. (2026). *Canada Strong for All: Spring Economic Update 2026*. <https://budget.canada.ca/update-miseajour/2026/report-rapport/pdf/update-miseajour2026-eng.pdf>.

## A word about adequacy

Canada's system of income supports has major gaps that perpetuate high levels of disability poverty in our country. While this brief is not about the adequacy of available supports, adequacy remains the most important issue for many people with disabilities.

People with disabilities are twice as likely to live in poverty as the rest of the population, and the total welfare incomes of people with disabilities have long languished significantly below Canada's Official Poverty Line.<sup>8,9</sup> The creation of the CDB brought hope of ending disability poverty in Canada,<sup>10</sup> but the amount of the benefit is far too low to lift more than 25,000 people with disabilities out of poverty.<sup>11</sup> According to the Parliamentary Budget Officer's analysis, the maximum benefit amount would have to increase by a factor of six to close the largest gap between current welfare income and the Official Poverty Line across provinces and territories.<sup>12</sup>

Addressing access barriers to disability benefits is a necessary but insufficient part of confronting the high rates of poverty among people with disabilities.<sup>13</sup> The adequacy of income supports for people with disabilities also deserves attention, and we call on all levels of government to do more to end disability poverty in Canada.

- 8 Statistics Canada. Table 11-10-0090-01. Poverty and low-income statistics by disability status. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110009001>.
- 9 Laidley, J. & Oliveira, T. (2025). *Welfare in Canada, 2024*. Maytree. <https://maytree.com/changing-systems/data-measuring/welfare-in-canada/>.
- 10 Government of Canada. (2020). *A stronger and more resilient Canada: Speech from the Throne to open the Second Session of the Forty-Third Parliament of Canada*. <https://www.canada.ca/en/privy-council/campaigns/speech-throne/2020/stronger-resilient-canada.html>.
- 11 Thurton, D. (June 7, 2024). Canada Disability Benefit won't lift 'hundreds of thousands' out of poverty, new numbers confirm. *CBC News*. <https://www.cbc.ca/news/politics/canada-disability-benefitpoverty-1.7228322>.
- 12 Office of the Parliamentary Budget Officer. (2023). *The Canada Disability Benefit: Models and Scenarios*. <https://distribution-a617274656661637473.pbo-dpb.ca/cc0930a87cbe514f3939754dd7b-28f97483325caccb8ff82b44362d6876f83a9>.
- 13 Petit, G. (2026). *Broken Links: Poverty and the limits of the Disability Tax Credit*. Canadian Tax Observatory. <https://canadiantaxobservatory.ca/broken-links/>

# Part 1: Systemic reform of federal disability benefits should begin with structural changes and a new definition of disability

## Break down disability policy silos within the federal government

Responsibility for federal disability supports is distributed across several departments and agencies, making strong policy coordination essential. Yet this is not the experience of many people who interact with the system.

The implementation of Canada's Disability Inclusion Action Plan sits with Employment and Social Development Canada (ESDC). The new Canada Disability Benefit is administered through Service Canada, also within ESDC. It is logical that ESDC and the Minister of Jobs and Families would, therefore, play a central role in coordinating disability policy.

However, because the DTC has become the doorway to federal disability benefits, the Canada Revenue Agency and the Department of Finance hold de facto control over who can access federal disability support. While tax officials have a role in administering Canada's numerous disability-related tax credits and benefits, the tax system is not well positioned to serve as the centre of federal disability policy development.

Addressing the considerable gaps and deficiencies in federal disability policy will require coordinated action across departments. Ensuring these efforts are aligned will require clear leadership. This role should fall to ESDC.

# Separate the work of assessing eligibility for federal benefits from the administration of the DTC and transfer assessment responsibility to Employment and Social Development Canada

Canada's tax system performs many functions well; adjudicating disability is not one of them. Disability encompasses a wide range of conditions and experiences, and people with disabilities remain among the most diverse and marginalized groups in Canadian society. Interpreting disability definitions and administering assessments requires specialized expertise and a human-centred approach – capacities better aligned with ESDC's mandate than with the administration of the tax system. A new home for disability adjudication also calls for replacing today's Disability Tax Credit Certificate with a new federal certification of disability that is separate from any single program. As discussed below, the "federal disability benefits certificate," for example, would be a name more appropriate to the true nature of the certificate.

Importantly, the proposed shift would mean appeals of disability determinations could be heard by the Social Security Tribunal, which has expertise in income security programs, rather than by the Tax Court of Canada, whose mandate is primarily to adjudicate tax disputes.

Responsibility for tax credit aspects of the DTC, including the Disability Amount itself, should remain with CRA. The DTC is a vital program, but it should assume its rightful place as just one of several disability-related tax credits that may be provided to people with disabilities.

The Standing Senate Committee on Social Affairs, Science and Technology made this recommendation in 2018.<sup>14</sup> It is time to implement it.

---

14 Senate of Canada. (2018). *Breaking Down Barriers: A critical analysis of the Disability Tax Credit and the Registered Disability Savings Plan*. <https://sencanada.ca/en/info-page/parl-42-1/soci-breaking-down-barriers/>.

# Many people with disabilities – particularly those living in poverty – should not be excluded from federal supports because they do not meet the narrow DTC definition of disability

Eligibility for the Disability Tax Credit is based on a particularly long and complex definition of disability in the Income Tax Act.<sup>15</sup> Requiring a “severe and prolonged impairment,” it is considered among the most restrictive definitions used in disability support programs in Canada.<sup>16</sup>

As a result, the 17 federal disability programs tied to the DTC certificate are unavailable to hundreds of thousands of people with disabilities who qualify for a disability-related program or benefit under a provincial or territorial social assistance program. There are at least 750,411 cases<sup>17</sup> that qualified for a disability benefit through a social assistance program in 2024-25,<sup>18</sup> and there were 1,039,300 Canadians aged 15 to 64 living in poverty in 2024 who met the definition of disability used in the Canadian Income Survey.<sup>19</sup> Yet the federal government projects that only 610,000 people will receive the Canada Disability Benefit by 2028-29.<sup>20</sup>

The narrow DTC definition undermines the government’s declared intention that “the combined amount of federal and provincial or territorial income supports for persons with disabilities grow to the level of Old Age Security (OAS) and the Guaranteed Income Supplement (GIS), to fundamentally address the rates of poverty experienced by persons with disabilities.”<sup>21</sup> Unless the DTC definition changes, hundreds of thousands of people with disabilities who access social

---

15 Government of Canada. *Income Tax Act*. Section 118.3(1). <https://laws-lois.justice.gc.ca/eng/acts/I-3.3/section-118.3.html>.

16 Oliveira, T. & White, A. (2026). “Definitions of Disability” in *Social Assistance Summaries, 2024*. Maytree. <https://maytree.com/changing-systems/data-measuring/social-assistance-summaries/>.

17 Cases are used to avoid counting non-disabled family members who are often included in statistics of the number of program beneficiaries. However, using this method, households containing multiple people who qualify for disability benefits are counted only once.

18 Oliveira, T. & White, A. (2026). Definitions of Disability. In *Social Assistance Summaries, 2024*. Maytree. <https://maytree.com/changing-systems/data-measuring/social-assistance-summaries/>

19 Statistics Canada. Table 11-10-0090-01 Poverty and low-income statistics by disability status. <https://doi.org/10.25318/1110009001-eng>.

20 Government of Canada. (2024). Canada Disability Benefit Regulations. *Canada Gazette, Part I, Volume 158, Number 26*. <https://gazette.gc.ca/rp-pr/p1/2024/2024-06-29/html/reg2-eng.html>.

21 Government of Canada. (2024). *Budget 2024: Fairness for every generation*. Page 107. <https://www.budget.canada.ca/2024/report-rapport/budget-2024.pdf>.

assistance will remain ineligible for the DTC, the CDB, and many other federal disability supports.

## Accessing a provincial or territorial disability-related program or benefit through social assistance should automatically qualify a person for federal disability benefits

People who qualify for disability support through a provincial or territorial social assistance program must complete a separate adjudication process to access federal benefits. This fragmented, burdensome, and duplicative approach is built to serve the needs of various levels of governments at the expense of people with disabilities.

The low DTC application and uptake rates explored above show how relying solely on individual application and adjudication represents a significant structural barrier to accessing federal benefits. Automatic qualification pathways are necessary to reach the target population.

In its 2018 report on the DTC, the Standing Senate Committee on Social Affairs, Science and Technology noted how the current approach creates a barrier to accessing other federal programs, such as the Registered Disability Savings Plan.<sup>22</sup> It recommended that:

- The Minister of Finance broaden eligibility for federal disability programs beyond the DTC so that people who are eligible for provincial and territorial disability support programs are able to participate; and
- Orders of government work together to harmonize the application process for disability support programs.

With the launch of the Canada Disability Benefit in 2025, the stakes for low-income people with disabilities have only grown, and disability advocates are calling on the federal government to immediately deem recipients of a provincial or territorial disability program as automatically qualified for federal disability programs.

---

22 Senate of Canada. (2018). *Breaking Down Barriers: A critical analysis of the Disability Tax Credit and the Registered Disability Savings Plan*. <https://sencanada.ca/en/info-page/parl-42-1/soci-breaking-down-barriers/>.

Unfortunately, the restrictive nature of the DTC disability definition, coupled with the variation in provincial and territorial disability definitions, means such a move would risk creating a system where people with identical disabilities may receive different levels of access to federal benefits based on where in Canada they live.

For example, imagine two people who have identical disabilities that do not meet today's federal definition. One lives in a province with a more permissive definition of disability and qualifies for disability-related social assistance. The other lives in a province with a narrow definition of disability and does not qualify for disability-related social assistance. If the federal government were to deem all social assistance recipients automatically qualified for federal disabilities benefits, one of these individuals would qualify and the other would not.

However, there is a way to implement automatic qualification for federal benefits in an equitable manner: Broaden the DTC definition of disability so it is inclusive of all provincial and territorial disability definitions. That way, all social assistance recipients would automatically qualify, and an individual with the same disability living in a province with a narrow definition could qualify through a direct application.

This approach is consistent with the commitment in the Disability Inclusion Action Plan to create a common definition of disability for use across the federal government. The DAC has also recommended the creation of a new definition, suggesting it be developed collaboratively with ESDC, Veterans Affairs, Finance Canada, Accessible Standards Canada, and others.<sup>23</sup>

## Improved definitions are available, and public engagement on a new definition could begin immediately

Maytree's analysis of disability definitions across provincial and territorial social assistance programs reveals a path to building a new DTC definition that would enable automatic qualification across the country.<sup>24</sup> Below are two example approaches and definitions that would unlock automatic qualification for federal benefits.

---

23 Disability Advisory Committee. (2024). *Fifth Annual Report of the Disability Advisory Committee*. <https://www.canada.ca/en/revenue-agency/corporate/about-canada-revenue-agency-cra/disability-advisory-committee/2024-full-report.html>.

24 Oliveira, T. & White, A. (2026). Definitions of Disability. In *Social Assistance Summaries, 2024*. Maytree. <https://maytree.com/changing-systems/data-measuring/social-assistance-summaries/>.

1. The government could reverse engineer a definition from social assistance definitions across the country, taking care that the severity, duration, and impact components of the definition are at least as permissive as all existing provincial and territorial definitions. One such definition would be: “A physical or mental impairment that is expected to last six months or more and that results in a significant or substantial restriction on one or more activities of daily living or paid employment.”<sup>25</sup>
2. The government could use the definition already enshrined in the Accessible Canada Act, as it is broader than all social assistance definitions across the country: “Any impairment, including a physical, mental, intellectual, cognitive, learning, communication or sensory impairment – or a functional limitation – whether permanent, temporary or episodic in nature, or evident or not, that, in interaction with a barrier, hinders a person’s full and equal participation in society.”<sup>26</sup>

In considering a new definition, it is preferable that the government embrace a biopsychosocial model of disability, as opposed to the dominant medical model. A biopsychosocial definition focuses on how health conditions interact with social, environmental, and systemic barriers to shape a person’s functional participation in everyday life.

Once a broader definition is in place, the federal government should work with provinces and territories to create a seamless data-sharing process, with appropriate privacy protections, to facilitate automatic qualification for federal disability benefits.

Critically, governments must not attempt to harmonize federal, provincial, and territorial definitions around a narrower definition of disability, such as the existing DTC definition. This would reduce access to provincial and territorial social assistance programs, harming thousands of low-income people with disabilities.

---

25 This definition was reverse engineered so that the severity, duration, and impact components are at least as permissive as all existing provincial and territorial definitions.

26 Government of Canada. *Accessible Canada Act*. Section 2. <https://laws-lois.justice.gc.ca/eng/acts/a-0.6/page-1.html#h-1153434>

# Concerns about broader access to the DTC and other federal disability benefits are best dealt with by amending those benefits

Within government, a common argument against a new definition of disability is that it would result in too many people accessing the DTC or other targeted programs. In fact, automatic qualification for social assistance recipients would have little impact on DTC claims, as most recipients have no taxable income.

Nevertheless, if similar concerns persist, they can and should be dealt with by adjusting the eligibility criteria for individual benefits, not by preventing people with disabilities from accessing all supports.

## While the current disability definition remains in place, the government must cease defining “all or substantially all of the time” in section 118.4 of the Income Tax Act as meaning 90 per cent of the time or more

As noted by the DAC, the CRA’s policy to interpret the phrase “all or substantially all” as meaning 90 per cent of the time or more conflicts with the actual legal interpretation of this phrase by Canadian courts. While some in government have argued that their hands are tied by the text of the Income Tax Act, DAC reports detail how Canadian courts have explicitly and repeatedly rejected the CRA’s 90 per cent standard. Furthermore, the DAC documents opposition from medical practitioners who find the 90 per cent policy difficult to apply.<sup>27</sup>

Despite this evidence, the 90 per cent rule continues to be used. The CRA and Finance Canada must reverse course and immediately implement the DAC’s recommendations.

---

27 Disability Advisory Committee. (2024). *Fifth Annual Report of the Disability Advisory Committee*. <https://www.canada.ca/en/revenue-agency/corporate/about-canada-revenue-agency-cra/disability-advisory-committee/2024-full-report.html>.

## Part 2: In parallel to systemic reform, the federal government should immediately dismantle barriers to accessing the DTC certificate

Complexities in the application process and challenges with CRA processes and contact centres contribute to underutilization of the DTC, especially among hard-to-reach and marginalized groups

The Disability Advisory Committee estimates that only one-quarter of people with disabilities who are likely eligible for the DTC actually submit a completed application.<sup>28</sup> Their reports detail the need for a series of accessibility improvements within the CRA, all of which should be addressed promptly. These include technology access, phone system navigation, communication accessibility, and agent training.

The DAC also notes that caregivers, interpreters, or interveners trying to help prospective applicants are often not accepted as representatives by CRA agents. We echo their call to develop secure and accessible representation options for adding a supported decision-maker. Importantly, the federal government recently recognized provincial or territorial public guardians and trustees as being qualified to certify for the Disability Tax Credit for adults in their care.<sup>29</sup> The government should build on this first step by fully enacting the DAC's recommendation.

Another challenge for applicants is that they can be shut out of information about their case, despite having the right to access this information. Copies of all forms and correspondence – including anything sent to or from medical practitioners – should be made proactively available to the applicant through the My Account

---

28 Ibid.

29 Government of Canada. (2026). *Canada Strong for All: Spring Economic Update 2026*. <https://budget.canada.ca/update-miseajour/2026/report-rapport/pdf/update-miseajour2026-eng.pdf>.

portal. It is particularly important that applicants have access to all follow-up correspondence between the CRA and their medical practitioner.

## Rename the DTC certificate so that prospective applicants understand its value

Too often, frontline agencies supporting people with disabilities hear reports that clients do not want to apply for the DTC certificate because their income is too low to claim the credit. This simple barrier – embedded in the very name of the certificate – can be immediately addressed. Something more appropriate to the true nature of the certificate would be, for example, the federal disability benefits certificate.

In addition to a new name, the government should have a strategy to raise awareness of the DTC and its role in accessing a suite of federal disability benefits. The strategy should create and leverage partnerships with disability support organizations, caregiver organizations, tax clinics, and others, providing them with educational resources about the DTC to disseminate among their clients.

## Address information barriers among medical practitioners

The federal government is right to expand the number of medical practitioners who can complete Part B of the DTC application, as announced in the 2026 Spring Economic Update.<sup>30</sup> As the Disability Advisory Committee has recommended, the government should build on this change with a campaign to educate practitioners so they understand the DTC eligibility criteria and how to efficiently complete Part B of the application. Run in collaboration with national and provincial practitioner associations, the campaign should emphasize that providers are responsible for providing information, not making eligibility decisions or acting as adjudicators.

The government should also take steps to address the high number of incomplete Part B submissions by practitioners through, for example, sending an email or other communication to all applicants after 60 days to notify them if Part B has not been completed by their practitioner and encourage them to follow up, and creating a survey for practitioners to gather insights on their awareness of DTC eligibility criteria and the challenges they face in completing Part B promptly.

---

<sup>30</sup> Ibid.

# Too many people with lifelong disabilities are given temporary DTC certificates and are required to reapply

About one-third of DTC certificates received in 2022 were temporary in nature, forcing the recipient to reapply after their eligibility expires.<sup>31</sup>

In 2018, the Senate recommended that the Minister of Finance revise DTC rules to better recognize the lifelong nature of certain physical and mental disabilities and eliminate the need for these people to reapply for the credit.<sup>32</sup> Nevertheless, there is evidence that some temporary certificates are awarded to people with lifelong disabilities and whose circumstances are highly unlikely to change. For example, the DAC notes that 90 per cent of children aged 13 years and under received a temporary certificate in 2022, even though most disabilities in this age group are developmental and known to be lifelong.

Requiring people with lifelong disabilities to reapply is an added and unjustified burden. It adds unnecessary stress, time, and expense for those who are entitled to benefit from the credit. It also strains the resources of medical practitioners at a time when Canada is facing significant gaps in primary care access, not to mention the additional costs of adjudication and appeals.

---

31 Disability Advisory Committee. (2024). *Fifth Annual Report of the Disability Advisory Committee*. <https://www.canada.ca/en/revenue-agency/corporate/about-canada-revenue-agency-cra/disability-advisory-committee/2024-full-report.html>.

32 Senate of Canada. (2018). *Breaking Down Barriers: A critical analysis of the Disability Tax Credit and the Registered Disability Savings Plan*. <https://sencanada.ca/en/info-page/parl-42-1/soci-breaking-down-barriers/>

# Streamline the DTC application form

Another welcome change in the 2026 Spring Economic Update is the government's intention to streamline the application process for individuals with a formal diagnosis of certain long-lasting medical conditions.<sup>33</sup> However, the cumbersome nature of the DTC application form remains an unnecessary barrier for all other applicants.

On average, it takes a physician more than 36 minutes to complete their portion of the initial DTC application.<sup>34</sup> Despite small-scale improvements, medical practitioners and disability advocates continue to believe that the form is overly long, complex, and poorly designed. It should be replaced with a new streamlined, plain-language application, tested with people with disabilities. Functional assessment questions should be consolidated to reduce duplication and confusion, and applicants should be empowered to complete the functional assessments themselves, with clinicians confirming accuracy rather than acting as form writers. Section 118.3 of the Income Tax Act requires only that practitioners certify the information, not fill out the forms.

The simplified DTC renewal form currently being piloted in Manitoba also represents meaningful progress.<sup>35</sup> If shown to be effective, this streamlined renewal process should be implemented nationwide without delay. Alternatively, the government could simplify reapplication by allowing recipients to reuse their initial application so long as it has been reviewed and recertified by a medical practitioner.

## Explore shifting to an "honour-and-audit model"

The government should consider piloting an honour-and-audit model, as proposed by Disability Without Poverty and a coalition of practitioner associations.<sup>36</sup> This would replace mandatory health professional certification for every application,

---

33 Government of Canada. (2026). *Canada Strong for All: Spring Economic Update 2026*. <https://budget.canada.ca/update-miseajour/2026/report-rapport/pdf/update-miseajour2026-eng.pdf>

34 Disability Without Poverty. (2026). *Fix the Disability Tax Credit (DTC): Urgent Reform Needed to Support Canadians*. <https://www.disabilitywithoutpoverty.ca/en/dwp-media/fix-disability-tax-credit-dtc-urgent-reform-needed-support-canadians>

35 Doctors Manitoba. (2025). *Manitoba Pilots Shorter DTC Renewal Form*. <http://doctorsmanitoba.ca/news/mb-pilots-shorter-dtc-form>

36 Disability Without Poverty. (2026). *Fix the Disability Tax Credit (DTC): Urgent Reform Needed to Support Canadians*. <https://www.disabilitywithoutpoverty.ca/en/dwp-media/fix-disability-tax-credit-dtc-urgent-reform-needed-support-canadians>.

shifting instead to a risk-based or randomized audit approach. This approach could be piloted first with individuals who are already recognized as having a disability under another program, such as CPP Disability.

The DTC already relies heavily on self-reported functional information, and this new model would align, for example, with the federal government’s long-term shift toward automatic income tax filing for low-income Canadians. Relying on attestation and risk-based verification could preserve program integrity while significantly reducing costs for applicants and the administrative burden on medical practitioners. The College of Family Physicians of Canada estimates this could free sufficient clinical capacity to enable up to one million additional patient visits per year.<sup>37</sup>

## Do more to address the cost of applying for the DTC

The federal government’s 2024 consultation on CDB regulations included a cost-benefit analysis of the program.<sup>38</sup> In it, the government noted that applying for the DTC imposes two types of direct costs on applicants:

**Medical fees:** Medical practitioners may charge fees for completing the DTC form, and the fees are not covered by provincial/territorial Medicare plans. The federal government calculated an average fee of \$125 based on a review of fee schedules; however, experience from frontline organizations across the country suggests fees are often much higher, especially for complex cases. Some medical practitioners charge additional fees for clinical notes and records or for providing clarifying medical information in support of an application. Furthermore, applicants often need to access multiple medical professionals to support their application, each of whom charges for their services. This is especially common for those with multiple impairments seeking to qualify under multiple activities of daily living categories or cumulative effect eligibility, as well as for individuals who do not have a regular family doctor.

**Professional support:** The government estimated that three-quarters of applicants are assumed to require professional services from a lawyer or other firm, including DTC “promoters.” The government estimated \$100 per application –

---

37 College of Family Physicians of Canada. (2022). *Less paperwork. More care. Address the disability tax credit form.* <https://www.cfpc.ca/CFPC/media/Resources/Health-Policy/HPGR-DTC-Call-to-Action-Jun24-final.pdf>.

38 Government of Canada (2024). Canada Disability Benefit Regulations. *Canada Gazette*, Part I, Volume 158, Number 26. <https://gazette.gc.ca/rp-pr/p1/2024/2024-06-29/html/reg2-eng.html>.

the maximum allowable under the *Disability Tax Credit Promoters Restrictions Regulations*.<sup>39</sup> But the federal government’s attempt to limit fees to \$100 was halted in 2021 by the B.C. Supreme Court following a legal challenge by DTC promoters who stood to lose a significant source of income.<sup>40</sup> Until this dispute is resolved, applicants who use these services can still be charged thousands of dollars in contingency fees.

The root of this problem is not the conflict over regulating fees. It is the creation of an application process that is so complex it has given rise to a for-profit industry devoted to navigating it. This is not inevitable, and it should be addressed through a complete redesign of the DTC definition and process, drawing on the recommendations made elsewhere in this brief.

To address the charges from medical practitioners, the 2025 federal budget announced a one-time supplemental CDB payment of \$150 for each person who successfully obtains a new DTC certificate, leading to eligibility for the CDB.<sup>41</sup> While this is a welcome step, it leaves several issues unresolved:

- Individuals whose DTC applications are unsuccessful, or who receive the DTC but do not qualify for the CDB, receive no reimbursement under this model.
- The amount of support offered is not enough to fully reimburse applicants once the cost of professional services is factored in, even if these are capped at \$100.
- Many low-income Canadians struggle to afford the upfront cost of applying, even if they are eventually reimbursed.

Encouragingly, the government further committed to “looking at ways to provide such a payment in respect of other Disability Tax Credit certifications as part of its work to review and reform the process to apply for the credit.”<sup>42</sup>

Elsewhere we have discussed the need to simplify the DTC application forms. In addition, the federal government should reimburse medical practitioners directly for their support on DTC applications – something it already does for

---

39 Government of Canada. (2021). *Disability Tax Credit Promoters Restrictions Regulations*. <https://laws-lois.justice.gc.ca/eng/regulations/SOR-2021-55/page-1.html>.

40 Fagan, Emily. July 26, 2025. Disability tax credits are critical for some Canadians. But applying for them can cost thousands. *CBC News*. <https://www.cbc.ca/news/canada/british-columbia/companies-charging-for-disability-benefit-assistance-1.7569518>.

41 Government of Canada. (2025). *Canada Strong: Budget 2025*. Page 175. <https://budget.canada.ca/2025/report-rapport/pdf/budget-2025.pdf>.

42 Ibid.

practitioners who complete CPP Disability applications.<sup>43</sup> Under the CPP model, the government pays up to \$85 for a medical form and up to \$150 for a narrative report. Practitioners are already familiar with this model; it is standardized across the country, and there is no out-of-pocket cost to applicants. If adopting such a model is difficult for the CRA, this is yet another reason to move responsibility for disability adjudication to ESDC.

Finally, there should be free supports available to every person applying for the DTC. The federal government should increase funding for the Disability Benefit Navigation program, which funds not-for-profit community-based organizations to help address long-standing barriers related to awareness and take-up of benefits for persons with disabilities, including the Disability Tax Credit, the Canada Disability Benefit, and other provincial and territorial disability benefits.<sup>44</sup>

## Better data will lead to better policy

As the Disability Advisory Committee has highlighted, the data that is currently available does not allow us to comprehensively identify potential DTC recipients, monitor the effectiveness of the DTC in reaching eligible individuals, understand client and practitioner experiences with the application process, estimate the uptake rates of other benefits available to DTC certificate holders, and understand the circumstances of DTC applicants who have had their applications rejected.

To address these gaps, the DAC has called for a comprehensive data strategy encompassing the entire DTC application process right through to the appeals processes, and that it be developed collaboratively with the DAC and community partners.<sup>45</sup> This echoes a 2018 recommendation of the Standing Senate Committee on Social Affairs, Science and Technology calling on the Minister of Finance and the Minister of Jobs and Families to work together to develop a DTC data strategy, with particular attention to the experiences of marginalized groups.<sup>46</sup>

---

43 Government of Canada. (2026). Information for health care professionals. *Canada Pension Plan disability benefits*. <https://www.canada.ca/en/services/benefits/publicpensions/cpp-disability-benefit/medical-professionals.html>

44 Government of Canada. (n.d.). *Organizations providing disability benefits navigation services*. <https://www.canada.ca/en/employment-social-development/programs/social-development-partnerships/disabilities/organizations-benefits.html>.

45 Disability Advisory Committee. (2024). *Fifth Annual Report of the Disability Advisory Committee*. <https://www.canada.ca/en/revenue-agency/corporate/about-canada-revenue-agency-cra/disability-advisory-committee/2024-full-report.html>.

46 Senate of Canada. (2018). *Breaking Down Barriers: A critical analysis of the Disability Tax Credit and the Registered Disability Savings Plan*. <https://sencanada.ca/en/info-page/parl-42-1/soci-breaking-down-barriers/>.

Data is also crucial to upholding Canada’s human rights obligations. A human rights-based approach would include the setting of targets for improvement and the measuring of progress toward policy goals. Recipients and administrators share a desire to increase uptake of federal disability benefits, improve access for low-income and marginalized groups, reduce reapplication rates, shorten processing times, and reduced reliance on paid DTC promoters. If these outcomes are not measured, the government cannot demonstrate accountability to rights holders.

Better data leads to better policy. Any government plan to improve access to the DTC must include a robust data strategy.

## Conclusion

Federal policy treats disability support as perk to be rationed rather than a right to be realized. Administrative improvements, while necessary, are not enough to change this fundamental fact. People with disabilities deserve a new system build on a new paradigm – one that is serious about reducing disability poverty and meeting Canada’s human rights commitments.



77 Bloor Street West, Suite 1600, Toronto, Ontario M5S 1M2 | [www.maytree.com](http://www.maytree.com)