

# Ontario Disability Support Program - Income Support Directives

## 5.14 - Treatment of Federal and Provincial Benefits for Families with Children

### Summary of Policy

The federal and provincial benefits for families with children that are listed in this directive are exempt from the treatment of income for the purposes of the Ontario Disability Support Program (ODSP).

### Legislative Authority

[Sections 41 \(14\); 42\(2\), \(3\), \(3.1\), \(3.2\), \(3.3\), \(3.4\), \(14\) of the ODSP Regulation](#)

### Summary of Directive:

This directive provides an overview of the federal Canada Child Benefit (CCB) the Child Disability Benefit, the Children Special Allowance, the Ontario Child Benefit, the Ontario Child Care Supplement for Working Families and describes how they are treated under ODSP.

### Intent of Policy

To exempt the federal and provincial benefits for families with children that are listed below from the treatment of income for the purposes of ODSP.

To provide information on federal and provincial benefits that are available for families with children.

### Application of Policy

The federal and provincial governments both provide a number of financial benefits to assist families with the cost of raising children.

Financial Benefits provided by the federal government include the:

- Canada Child Benefit (CCB)
- Child Disability Benefit (CDB where applicable)

- Children Special Allowance (CSA)

Financial Benefits provided by the provincial government include the:

- Ontario Child Benefit (OCB)
- Ontario Child Care Supplement for Working Families (OCCS)

These federal and provincial benefits are exempt from the treatment of income for the purposes of ODSP.

## **Federal Benefits**

### **Canada Child Benefit (CCB)**

The Canada Child Benefit (CCB) is a tax-free monthly payment from the CRA to assist eligible families with the cost of raising children under the age of 18. As of July 1, 2016, the CCB replaces the Canada Child Tax Benefit (CCTB), including the National Child Benefit Supplement (NCBS), and the Universal Child Care Benefit (UCCB). The Child Disability Benefit will continue to be provided, where applicable.

There is no requirement to apply for the new CCB as eligibility is determined when income tax returns are filed with the Canada Revenue Agency.

The CCB is exempt as income when determining eligibility and budgetary requirements for a benefit unit.

For detailed information regarding the CCB, including rates, refer to the Canada Revenue Agency's website at [www.cra-arc.gc.ca](http://www.cra-arc.gc.ca).

### **Child Disability Benefit (CDB)**

This benefit provides financial assistance to eligible families caring for children with severe and prolonged mental or physical impairments. The CDB is exempt from the treatment of income for ODSP purposes.

It is a condition of eligibility that ODSP applicants and recipients pursue all available sources of income including the CCB. A CCB application should be filed as soon as possible after a child is born or a child starts living with the person who is primarily responsible for the child's care and upbringing. The CCB recipient and spouse or common-law partner, if applicable, must file income tax returns every year to receive the CCB, even if there is no income to report to Canada Revenue Agency (CRA).

The requirement to pursue CCB income may be temporarily waived in certain situations such as family violence. The waiver period should reflect the circumstances of the case and is subject to review at the end of the period or at the next file review, whichever is earliest.

A CCB application form can be requested by phone at 1-800-959-2221 (English toll free) or 1-800-959-3376 (French toll free) or 1-800-665-0354 (TTY bilingual toll free) Application forms can also be downloaded from the Canada Revenue Agency web site at [www.cra.gc.ca](http://www.cra.gc.ca).

Canada Revenue Agency takes approximately two months to process a CCB application. ODSP offices should allow four months for an ODSP applicant or recipient to make the application for CCB and receive a response from CRA. A Transition Child Benefit (TCB) may be paid to a recipient for up to four months to allow efforts to be made to obtain the CCB (see ODSP Directive 9.20 Transition Child Benefit).

The benefit year for CCB commences in July and ends the following June. CCB payments are received by the 20th of the month. The last CCB payment received will be for the month of the child's eighteenth birthday. CCB payments also end if the child no longer lives with the parent/guardian, or if there are other changes to the status of the family and/or child.

### **CCB Overpayments and Underpayments**

CRA is able to adjust CCB entitlement during the year to reflect changes in family status and/or the impact of income tax reassessments. Overpayments and underpayments may result from these adjustments.

### **Parents with Shared Custody**

Where an applicant/recipient shares custody of a child on an approximately equal basis, he/she may receive income support for the child only if the applicant/recipient is eligible to receive the Canada Child Benefit (CCB) for that child.

As of July 2011, CRA recognizes both shared custody parents as "eligible individuals" in the same month. (All existing six-month rotational schedules were automatically converted to share eligibility equally between both shared custody parents on a monthly basis.)

A child will not be considered a dependent child under ODSP where the applicant/recipient is ineligible for the CCB because CRA has determined that shared custody arrangements are not in place.

The applicant/recipient must provide written verification from the Canada Revenue Agency (CRA) that he/she is eligible to receive the CCB as a shared-custody parent.

Where CRA has determined that both parents share eligibility for the CCB, the OCB will also be shared.

### **Children's Special Allowances (CSA)**

The Children's Special Allowances (CSA) is a tax free monthly payment for a child who is under the age of 18 years, resides in Canada and is maintained by an agency that is appointed, licensed and/or approved by a federal, provincial or territorial department for the protection and care of children. An agency can also include provincially approved group foster homes and institutions providing custody and care of children. An example of such an agency is the Children's Aid Society. CSA payments are made to the agency or an approved person providing foster care. The monthly amount payable for each child is equal to the maximum basic amount of the CCB plus the NCBS.

Payment of the CCB for a child is automatically stopped when CRA receives an application for the CSA.

### **Retroactive Canada Child Tax Benefit (CCTB) and Universal Child Care Benefit (UCCB) Payments**

Any retroactive CCTB, including NCBS, and/or the UCCB payments received by families following the implementation of the CCB on July 1, 2016 will continue to be exempt as income.

### **Provincial Benefits**

#### **Ontario Child Benefit (OCB)**

The Ontario Child Benefit (OCB) is part of Ontario's plan to expand opportunity for low-income families. It is a non-taxable, income-tested monthly benefit for families with children under age 18. Payment is based on the number of children and family net income.

As of July 1, 2016, the maximum monthly amount of the OCB is \$113 per child and it is exempt from the treatment of income for the purposes of ODSP.

## **Ontario Child Care Supplement for Working Families (OCCS)**

The Ontario Child Care Supplement for Working Families (OCCS) is a tax-free monthly payment to help with the costs of raising children under the age of seven. A family does not have to have a child in daycare to apply for the OCCS, but must have the appropriate income level or qualifying child care expenses.

The OCCS has been consolidated into the OCB effective July 2008. Currently, families whose OCCS entitlement exceeds their OCB payment will continue to receive a supplementary OCCS payment until their dependent child turns seven or the family is no longer entitled to the benefit.

Families with a child born on or after July 1, 2011 will not receive OCCS benefits. Supplementary OCCS benefits will be phased out completely by 2018.

The OCCS payments received are not considered income for ODSP purposes.

### **Hyperlinks Associated with this Policy Directive:**

#### **Related Directives:**

[2.2 Who is eligible: Dependent Children](#)

[5.1 Definition and Treatment of Income](#)

[9.20 Transition Child Benefit](#)

#### **Other Related Sites:**

<http://www.cra-arc.gc.ca>

<http://www.rev.gov.on.ca>