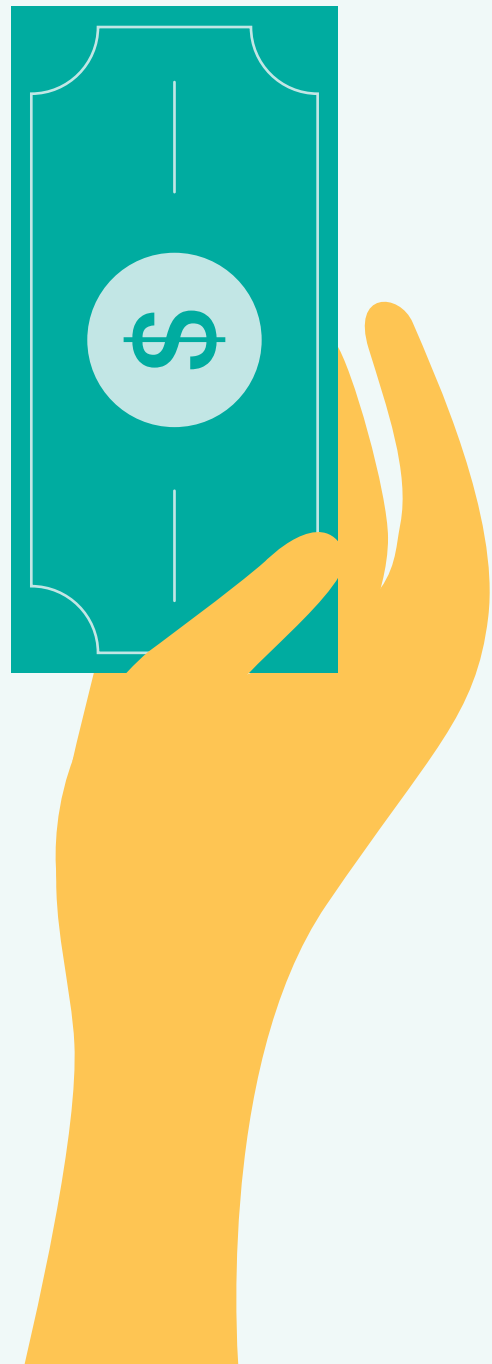


Financial Matters:

**Paying bills and
filing taxes**



These materials were put together by a group of researchers and practitioners in New Brunswick who work with older adults. Our aim was to help older adults in New Brunswick navigate the complex landscape of information, services, forms, and resources. We hope that you will find this helpful. This guide was last updated in December 2023.

www.stu.ca/aging-in-nb/

Our Team



Michelle Lafrance,
Ashley Erb,
Janet Durkee-Lloyd &
Michelle Greason



Shelley Doucet
& Alison Luke



Catherine
Bigonnesse



Karen Lake



Erin Jackson

The completion of this project was made possible by the support of:



Copyright © Dr. Michelle Lafrance 2023. All rights reserved. By accepting or downloading a copy of the Guide for distribution, you have the right to reproduce and distribute the Guide, but you do not have the right to edit, alter, or change any part of the Guide.

How to make sure your bills get paid if you are no longer able to take care of it yourself:

Option 1

- If you have a joint bank account with another person, like a spouse, they can continue to make your payments. There are risks in having joint accounts with another person, but it is common for spouses and common-law partners who share income and expenses. To learn the pros and cons of joint accounts, visit: <https://www.canada.ca/en/employment-social-development/corporate/seniors/forum/power-attorney-financial.html>.

Option 2

- If you are the only person named on your accounts as responsible for paying your bills, make an Enduring Power of Attorney for financial matters. You have to hire a New Brunswick lawyer to do this. Ask a person you trust if they are willing to act as your financial Attorney. Once the Enduring Power of Attorney documents are signed, take an original copy to your bank, and have it recorded on your file. Your financial Attorney will then be able to deal with your Bank to pay your bills for you. They have to keep records of every payment they make. They will also be able to make changes to any account (e.g., phone bill, power bill). See the chapter on “Legal Matters” for more information on this.

Note for Caregivers: Financial abuse is a very real problem and banks, and other companies take confidentiality and privacy very seriously. They will require that a financial Attorney is legally appointed and is not abusing the Enduring Power of Attorney. You will be required to show legal proof that you are allowed to take care of that person’s financial matters.

This guide is for informational purposes only and is not a substitute for professional medical, legal, or financial advice. Programs and information can change over time, so please check details with the services and agencies mentioned in these documents. [Last update, December 2023]



Tip: Keep a list of all your bills, savings accounts, investments, etc. That way, if needed, the person you name in your Enduring Power of Attorney (financial) document knows what accounts you have and where they are held. See the chapter on “Important Information” for an easy way to keep track of all of this.

Tip: Having an Enduring Power of Attorney on file for your accounts (such as bills, banking, taxes, etc.) before it is needed can help the person you name in that document if they ever need to step in and act as your financial Attorney. Some companies may need you to sign a paper to allow your financial Attorney to act on your behalf.



Tips for caregivers:

- If you use email, scan a copy of your Enduring Powers of Attorney so that you have this ready to send when you are asked for it.
- Send a copy of your Enduring Power of Attorney to all businesses and agencies that you deal with often. Once your Enduring Power of Attorney is on file, you can access the accounts (e.g., phone company, private insurance, Canada Revenue Agency, etc.).

Senior Financial Abuse

Older adults can be targets of theft, fraud, and scams, including:

- being pressured to give someone control of your money
- being pressured to make an Enduring Power of Attorney
- being pressured to sell your house or possessions
- being pressured to change your will
- phone or internet scams

The effect of financial abuse can be devastating, including loss of money, loss of trust, social isolation, and health problems. To learn more about how you can protect yourself and those you love visit:

- https://socialsupportsnb.ca/en/simple_page/senior-financial-abuse or Google “Social supports NB senior financial abuse”
- [Finances50plus.FCNB.ca](https://finances50plus.fcnb.ca) or Google “Financial and Consumer Services Commission”

How to find past Tax Returns or Notice of Assessments from the Canada Revenue Agency:

If you can't find them in your files, you can get past Notice of Assessments or Tax Return information from:

- The accountant who did your taxes last year
- From the Canada Revenue Agency: Call **1-800-959-8281**, visit <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/a-copy-your-notice-assessment-reassessment.html>, or Google "NOA copy."



Tip: If you have to ask for tax information from the Canada Revenue Agency, try to do this as early as you can because it can take many weeks for this information to arrive.

Enduring Power of Attorney and Tax and Pension Accounts

If you have been named in the Enduring Power of Attorney document as the financial Attorney and are caring for a person who can no longer take care of their own taxes, you must register your Enduring Power of Attorney with the Canada Revenue Agency. You can do this in two different ways:

Option 1

- Online by visiting <https://www.canada.ca/en/revenue-agency/services/tax/representative-authorization/how.html> or Googling "Canada Revenue Authorize a representative for online".

Option 2

- Calling the Canada Revenue Agency (**1-800-959-8281**) and asking for:
 - The form to register your Enduring Power of Attorney
 - The mailing address or fax number where the form can be sent once it is filled out.
 - Before you call, you will need this information about the person who has appointed you as their financial Attorney in their Enduring Power of Attorney document:
 - Full name • Address
 - Date of Birth • Social Insurance Number

- Once you get the form, fill it out and write the person’s Social Insurance Number on every page.
- Make a copy of this document. Keep the original. Mail the copy to the Canada Revenue Agency at the address you were given.
- After you have mailed your documents, call back in a few weeks to ensure they received your form.
- Once the Canada Revenue Agency has processed your documents, a letter will be mailed to you to confirm.
- Once your Enduring Power of Attorney is on file with the Canada Revenue Agency, you can manage the person’s account online or call on their behalf. To do so, you can call at **1-800-959-8281**, visit <https://www.canada.ca/en/revenue-agency/services/e-services/represent-a-client.html> or Google “Represent a client CRA.”

Enduring Power of Attorney and Old Age Security (OAS) and Canada Pension Plan (CPP):

If you are someone’s financial Attorney and you need to access financial information about their Old Age Security or Canada Pension Plan, you will need to submit a form by mail to Service Canada. This form is called the “Consent to Communicate Information to an Authorized Person” form. You can ask for a copy from your local Service Canada office or you can download and print the form here: <https://catalogue.servicecanada.gc.ca/content/EForms/en/Detail.html?Form=ISP1603OAS>.

Once filled out, you must mail the form to:

Service Canada
 PO Box 250 Station A
 Fredericton NB E3B 4Z6
 CANADA



How to claim Long-Term Care on your Income Tax:

Nursing Homes and **Special Care Homes** are dealt with differently by the Canada Revenue Agency. See below for details on how to claim both on your income tax:

Income Tax and Nursing Home Fees: You **can** claim the whole amount you paid for care in a **Nursing Home** on your income tax. You will need to file form T2201 (Disability Tax Credit Certificate) on your taxes or have a written note from your doctor or nurse practitioner stating that you are not able to care for yourself on your own and must rely on others for care.



Financial Tip: Typically, you cannot claim Nursing Homes fees AND the Disability Tax Credit – only one or the other. But there may be some situations when you can. It is best to ask an accountant about this.

Income Tax and Special Care Home Fees: You **cannot** claim the whole amount you paid for care in a **Special Care Home** or the rent you paid in a retirement home (e.g., “retirement living” apartments) on your income tax. But you can claim some costs for care in such homes if you qualify for the Disability Tax Credit. The Special Care Home should give you a detailed receipt that tells you what you are able to claim on your tax return.

To apply for the Disability Tax Credit, your doctor or nurse practitioner has to fill out the Form T2201 (Disability Tax Credit Certificate) and note that you have a medical reason to need care. Then, you must send that form to the Canada Revenue Agency to see if they approve it.

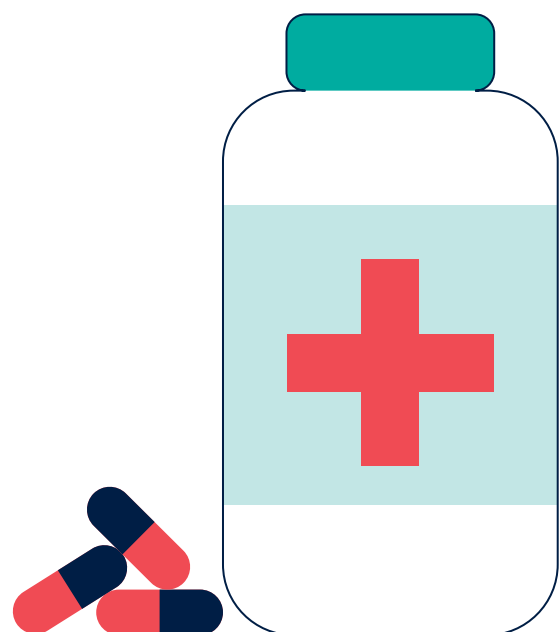
To learn more about the Disability Tax Credit or to apply call: **1-800-959-8281**, visit <https://www.canada.ca/en/revenue-agency/services/tax/individuals/segments/tax-credits-deductions-persons-disabilities/disability-tax-credit.html>, or Google “Disability tax credit Canada.”

Medical Costs and Income Tax:

You may be able to claim certain medical costs on your income tax. These can include prescription drugs, walkers, or wheelchairs. A full list of eligible medical costs and whether you need a prescription for them can be found here: <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/lines-33099-33199-eligible-medical-expenses-you-claim-on-your-tax-return.html>, or Google “Medical expenses tax credit CRA.”

If you have to travel to your medical appointments and these are at least 40km away (one way), you may be able to claim travel costs. It can be helpful to keep a log of all medical visits. Keep in mind you must travel the most direct route to qualify and that you will need confirmation of your appointments from your doctor or nurse practitioner.

To learn more about claiming medical costs, call: **1-800-959-8281**, visit <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4065/medical-expenses.html>, or Google “Medical expenses.”



Do you need help getting your taxes done, but can't afford to pay for it?

Tax clinics can help people who qualify get their taxes done for free. These clinics are often held during March or April.

To qualify, you must have:

1) A simple tax situation: This means you either have no income OR you get your income through:

- Employment
- Pensions
- Benefits (like the Canada Pension Plan, Old Age Security, Disability Insurance, Employment Insurance, and Social Assistance)
- Registered Retirement Savings Plans (RRSPs)
- Support payments
- Scholarships, fellowships, bursaries, or grants
- Interest (under \$1,000)

AND you have:

2) A modest income: This is based on the number of family members living in your house. Your income must be below these annual amounts:

- 1 person: \$35,000
- 2 persons: \$45,000
- 3 persons: \$47,500
- 4 persons: \$50,000
- 5 persons: \$52,000
- More than 5: \$52,500, plus \$2,500 for each additional person

To find a tax clinic near you, call the Canada Revenue Agency at **1-800-959-8281**, visit <https://www.canada.ca/en/revenue-agency/services/tax/individuals/community-volunteer-income-tax-program.html>, or Google "Free tax clinic CRA."

What tax benefits or credits could I be eligible for?:

Disability Tax Credit

Do you have a disability (this can include having a hard time walking around or needing care)? If so, you may be eligible for a tax credit from the Government of Canada that can help reduce the amount of income tax you have to pay.

To be eligible, **one** of these must apply:

- You are blind
- You need therapy to maintain your life (at least 14 hours a week). This can include therapies such as insulin therapy, kidney dialysis, or chest physiotherapy.
- You are markedly restricted in at least one of the basic activities of daily living (walking, speaking, dressing, bathing, feeding). This means that for one or more of these activities, you are either unable to do it or it is very difficult and takes you a very long time to do.
 - **Example:** Maria has a very hard time getting dressed in the morning and needs her husband's help to do so.
- You are significantly restricted in two or more of the basic activities of daily living (walking, speaking, dressing, bathing, feeding, or you have a vision impairment). This means that it is very difficult to do two or more of these activities and when combined they take you a very long time to do.
 - **Example:** Paul has trouble getting in and out of the shower and getting dressed for the day. He can do these on his own, but it takes him a very long time to do these tasks.

And, all of these must apply:

- the disability must be prolonged, which means it has lasted, or will last non-stop for at least 12 months
- the disability must be present all or most all the time (at least 90% of the time)

To find out if you qualify, you can answer some questions on the Government of Canada website. Visit <https://www.canada.ca/en/revenue-agency/services/tax/individuals/segments/tax-credits-deductions-persons-disabilities/disability-tax-credit/eligible-dtc.html>, or Google "DTC are you eligible questions." You can also call the Canada Revenue Agency (**1-800-959-8281**) and ask about your eligibility.

To apply for the tax credit, you must fill out a T2201 (Disability Tax Credit Certificate). A section of this form is filled out by you. The other section is filled out by a health care provider like your family doctor or nurse practitioner. They may charge a fee to fill this out. Once it is filled out, you can upload it to the website or return it by mail.

To download the form to print or to upload the filled out form, call **1-800-959-8281**, visit <https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/t2201.html> or Google "T2201 form."

Canada Caregiver Credit

Are you are caring for someone in your family who has a mental or physical disability? If so, you may qualify for a tax credit from the Government of Canada.

To qualify, the person you are caring for must rely on you for regular support. You must also provide them with some or all of the basic needs of life, like food, shelter and clothing.

The amount you can claim depends on:

- Your relationship to the person that you are claiming the Canada Caregiver Credit for (your spouse, common-law partner, or dependent)
- Your situation (e.g., whether you are a spouse, a dependent, have dependents, etc.).
- The net income of the person you are caring for
- Whether other credits are being claimed for that person

More details on the Canada Caregiver Credit can be found by contacting the Canada Revenue Agency. Call **1-800-959-8281**, visit <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/canada-caregiver-amount.html>, or Google "Canada caregiver credit."

Home Renovation Tax Credit

Do you need to make changes to your home because you are having a harder time moving around?

With the New Brunswick Seniors' Home Renovation Tax Credit, you can claim up to \$10,000 in on your tax return. These must be changes to your home that will make

your home safer and more accessible. To be able to claim this on your tax return, these changes must be done by a professional.

To learn more about what is eligible under this program or to apply, call **1-800-669-7070**, visit <https://socialsupportsnb.ca/en/program/new-brunswick-seniors-home-renovation-tax-credit> or Google "Social supports seniors home



Financial Tip: In doing your taxes, the receipts you use for home renovations can sometimes also be claimed as medical expenses. Talk to an accountant about this.

renovation tax credit."

Low Income Seniors Benefit

Are you over the age of 65 and qualify as low income? If so, you may be eligible for the New Brunswick low income senior's benefit.

This benefit is \$400 yearly for those who qualify. To be eligible you must:

- Have been a resident of New Brunswick on December 31 of last year
- Be 65 years or older and
- Be getting at least one of these federal benefits:
 - Guaranteed Income Supplement (65 years or older)
 - Allowance for Survivor Program (between 60 and 64 years old)
 - Allowance Program (between 60 and 64 years old)
- Applications are available on April 1st of each year. To apply you will need this information:
 - Your name
 - Your address
 - Your social insurance number
 - Which of the federal benefits you receive

For the application form and more information on the benefit, call **1-800-669-7070**, visit <https://socialsupportsnb.ca/en/program/new-brunswick-low-income-seniors-benefit> or Google "Social supports low income seniors benefit."



Registered Disability Savings Plan

Are you under the age of 59 and are getting the Disability Tax Credit? If so, you may qualify for a Registered Disability Savings Plan.

This is a savings program meant to help you save for retirement. The amount of money you can contribute depends on your income. The Government of Canada may match contributions made before the age of 50.

For more information, talk to your bank, call **1-800-959-8281**, or visit <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/registered-disability-savings-plan-rdsp/opening-rdsp.html>, or Google "RSDP open." See also www.RDSP.com.

What financial help is available for homeowners or renters?

Rent Supplement Programs

Do you have a limited income? If so, subsidized rental programs may be able to help. They provide safe and affordable housing based on your income. Visit <https://socialsupportsnb.ca/en/program/public-housing-and-rent-supplement-programs> or contact **2-1-1** for more information. Call **1-833-733-7835** to apply.

Emergency Fuel Benefit

Are you unable to pay the costs of winter heating? If so, the Emergency Fuel Benefit may be able to help. This benefit provides up to \$550 / year to help pay for winter heating for those who qualify. Visit <https://socialsupportsnb.ca/en/program/emergency-fuel-benefit> or contact **2-1-1** for more information. Call Social Development at **1-833-733-7835** to apply.

Enhanced Energy Savings Program

Are you a homeowner who would like to save money on heat and electricity bills? The Enhanced Energy Savings Program offers free home efficiency upgrades. If you own and live in your own home and have a low income, you may qualify. Apply online at saveenergynb.ca.

Would you like to learn about other financial supports?

Visit socialsupportsnb.ca/finances or call **2-1-1** for more information.