

■ Financial impact

Enhancement of the tax credit for volunteer respite services will have a financial impact of \$700 000 per year for the government.

2.2.2 \$40 million to help seniors live independently

The refundable tax credit for the acquisition or rental of property intended to help seniors live independently longer is designed to help seniors aged 70 or over to obtain property that will help them live more independently while minimizing the risk of falls or shortening the response time in the event of an accident, making it easier for them to stay in their home.

The refundable tax credit is equal to 20% of the amount by which \$500 is exceeded by the aggregate of all amounts paid for the acquisition or rental, including installation costs, of qualified property intended for use in the senior's principal place of residence.

The \$500 cut-off at which the tax credit may be claimed can be a lot to pay for seniors who gradually adapt their home every year to fit their needs.

□ Reduction of the cut-off to \$250 and addition of new qualified property

To improve seniors' quality of life and make sure that seniors who acquire or rent property every year can claim the tax credit, the government will reduce the annual cut-off from \$500 to \$250 as of 2018.

Currently, qualified property for the purposes of the tax credit is primarily intended to ensure seniors' safety and mobility in their living environment.

To increase the safety for seniors with hearing loss, the tax credit will now cover the acquisition of hearing aids and the acquisition of alert systems for people with hearing impairments.

In addition, to help seniors' mobility in their living environments, non-motorized mobility assistance devices (e.g. walkers, canes and wheelchairs), will also be qualified property for the purposes of the tax credit.

□ More generous tax assistance

The reduction in the cut-off to \$250 and addition of qualified property will provide seniors with greater tax assistance for the acquisition or rental of property intended to help them live independently longer.

For example, an individual 70 years of age who pays \$5 000 for the purchase and installation of a walk-in bathtub will receive \$950 in tax assistance, or \$50 more, as a result of the lower cut-off.

An individual 75 years of age who purchases hearing aids at a retail cost of \$5 000 will receive \$950 in tax assistance as a result of the addition of qualified property for the purposes of the tax credit.

TABLE C.13

Illustration of the enhanced refundable tax credit for the acquisition or rental of property intended to help seniors live independently longer

(dollars, unless otherwise indicated)

	Walk-in bathtub		Hearing aid	
	Before	After	Before	After
Purchase cost	5 000	5 000	—	5 000
Cut-off	-500	-250	—	-250
Amount eligible for the tax credit	4 500	4 750	—	4 750
Conversion rate	20%	20%	—	20%
REFUNDABLE TAX CREDIT AMOUNT	900	950	—	950

**Qualified property for the purposes of the refundable tax credit
for the acquisition or rental of property intended
to help seniors live independently longer**

Current qualified property

The cost of the acquisition or rental of the following property qualifies for the refundable independent living tax credit for seniors if the property is installed in the senior's principal place of residence:

- a person-centered remote monitoring device, such as an emergency alert system ("panic button") or a device for the remote measurement of various physiological parameters or the remote medication compliance monitoring;
- a personal GPS locator;
- a property designed to assist a person to get on or off a toilet or to get into or out of a bathtub or shower;
- a walk-in bathtub or a walk-in shower;
- a chair mounted on a rail designed exclusively to enable a person to ascend or descend a stairway mechanically;
- a hospital bed.

New qualified property

As of the 2018 taxation year, the cost for the acquisition or rental of the following property will also qualify for the purposes of the tax credit:

- safety devices for the hard of hearing:
 - alert systems for persons with hearing impairments;
 - hearing aids;
- walkers and rollators;
- canes and crutches;
- non-motorized wheelchairs.