

Old Age Security

Benefits for low-income seniors

- Old Age Security
- Guaranteed Income Supplement
- Allowance
- Allowance for the survivor



Service Canada



Government
of Canada

Gouvernement
du Canada

Canada

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This booklet on the Old Age Security pension contains general information only. In case of disputes, the wording and provisions of the *Old Age Security Act* and *Regulations* prevail.

Available in alternative formats.

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Are these benefits for you?

If you are in one of the following situations, this brochure will be of interest to you.

- You receive the Old Age Security pension, but your income is still low. **You may be eligible for the Guaranteed Income Supplement (GIS).**
- Your spouse/common-law partner is entitled to receive the GIS, but, even with that, your combined income is low. You are between 60 and 64 and have lived in Canada for at least 10 years since the age of 18. **You may be eligible for the Allowance.**
- Your spouse/common-law partner is deceased and you have not remarried. You are between 60 and 64, have lived in Canada for at least 10 years since the age of 18, and have a low income. **You may be eligible for the Allowance for the survivor.**

Please read on for details about these Government of Canada benefits.



Old Age Security Program

The Old Age Security (OAS) program, which is financed from general revenues of the Government of Canada, is the cornerstone of Canada's retirement income system and provides benefits to almost all seniors.

> **The Old Age Security pension**

The OAS pension combines with the Canada Pension Plan (CPP), private pension plans, and retirement investments to provide Canadians with one of the best retirement income systems in the world.

Most people in Canada who are 65 or over and meet the residence requirements receive this pension each month. For details, call and ask for the booklet *Old Age Security Pension*. See page 28 for how to reach us.

But even the best programs don't cover all situations. That's why the Government of Canada has added the Guaranteed Income Supplement and the Allowance to the OAS program for seniors whose income is low.

> The Guaranteed Income Supplement

The Guaranteed Income Supplement (GIS) provides additional income to seniors living in Canada who have a low income even with their OAS pension. To be eligible for the GIS, you must be receiving the Old Age Security pension and meet the income requirements explained in the table on page 6.

> The Allowance

The Allowance is a benefit for low-income seniors between 60 and 64. Its purpose is to help them until they become eligible for the OAS pension (and possibly the GIS) at the age of 65.

There are two types of Allowance benefits:

1. Known simply as the **Allowance**, the first is for spouses/common-law partners of OAS pensioners.
2. The second benefit is called the **Allowance for the survivor**. This benefit is intended for low-income seniors whose spouse or common-law partner has died and who have not remarried.



Do you qualify for . . .

...the Guaranteed Income Supplement (GIS)?

The GIS is intended to supplement the Old Age Security pension. It is for low-income seniors living in Canada. Whether you are eligible depends on:

- your age (you must be 65 or over),
- your marital status (if you are married or living in a common-law relationship, we consider your combined income in our calculations), and
- your annual income (combined with that of your spouse/common-law partner, if you have one), which must be under the maximum specified for the year. Your OAS pension is not considered income in the calculation of your GIS benefit.

If you qualify for the GIS, the amount you receive will depend on your **marital status** and your **income**, not counting your OAS pension. The chart below shows the maximum monthly payments for the period of January to March 2006. The amounts may rise over time

to keep up with inflation. It is important to note that only clients with no other source of income can expect to receive the maximum amount. The average benefit payment is lower, because most people have some other source of income as well.

Note: If you and your spouse or common-law partner are living apart for reasons beyond your control (for example, if one of you has to live in a hospital or nursing home), you can each be considered as a single person if that gives you a higher monthly payment.

GIS	Maximum monthly benefit (January 2006)	Maximum income* (January 2006)
Single person	\$593.97	\$14,256
Couple receiving only one OAS pension	\$593.97	\$34,368
Couple receiving two OAS pensions	\$389.67	\$18,720
Couple receiving one OAS pension and one Allowance benefit	\$389.67	\$34,368

* You cannot receive the GIS if you earn more than the maximum income shown above. Do not include your OAS pension as income when applying for GIS benefits.

...the Allowance?

You can apply for the **Allowance** if you meet the following conditions:

- you are between 60 and 64 years of age,
- you have a low income,
- you have lived in Canada for at least 10 years since the age of 18, and
- your spouse/common-law partner is entitled to receive the Guaranteed Income Supplement.

...the Allowance for the survivor?

You can apply for the **Allowance for the survivor** if you meet the following conditions:

- you are between 60 and 64 years of age,
- you have a low income,
- you have lived in Canada for at least 10 years since the age of 18, and
- your spouse/common-law partner has died and you have not remarried or started another common-law relationship.

Residence requirements

To qualify for either of the Allowance benefits, you must be a Canadian citizen or legal resident (if you are living outside the country, you must have been a Canadian citizen or legal resident when you last lived in Canada). If you have **not** lived in Canada for at least 10 years since you turned 18, but have lived or worked in a country that has a social security agreement with Canada, you may still qualify. Call us for more information (see page 28).

Maximum Allowance benefit amount (January 2006)	\$874.30
Maximum Allowance for the survivor benefit amount (January 2006)	\$967.24



Applying for benefits

To receive any OAS benefit, **you must apply**. You can get an application form by calling the toll-free number listed at the end of this booklet.

When you apply for an OAS pension, you can indicate on your application form that you want to apply for the GIS as well.

GIS and Allowance payments are non-taxable. Both must be renewed annually, (see “When to renew your benefits” on page 19). Monthly payments may increase or decrease according to changes in the recipient’s annual income and marital status.

> **How do I get an application kit?**

We will send you an application kit if our records show that you might be eligible for benefits. If you receive a kit, you should complete the application form and **return it to us as soon as possible**. You could lose some benefits if you don’t apply right away.

If you haven't received an application kit from us, but think you may qualify for benefits, please contact us (see page 28).

If your spouse or common-law partner has died, you may qualify for the Allowance for the survivor (see page 7). Contact us for an application kit. Again, you should complete and return the application as soon as possible. If you delay, you may miss some benefits.

> **What documents will I need to provide?**

If you are applying for the GIS or the Allowance, we will need certain documents from you.

If you are **married** and applying for the first time, you must provide a marriage certificate. If you were married in Canada but don't have your marriage certificate, there are two ways to get it:

- You can get a certificate from the church in which you were married.
- You can contact the Registrar of Vital Statistics in the capital city of the province or territory in which you were married.

If you were married outside Canada and don't know how to obtain your marriage certificate, call us.

If you are in a **common-law relationship**, you must provide a statutory declaration that gives the date when you and your partner began living together. Call us for a copy of this form and for help to complete the declaration. This applies to both opposite-sex and same-sex common-law relationships.

For the Allowance

Seniors between 60 and 64 with a spouse or common-law partner who receives or is eligible for the Guaranteed Income Supplement may also need:

- Marriage certificate/statutory declaration and proof of cohabitation
- Citizenship/immigration documents

For the Allowance for the survivor

Seniors between 60 and 64 whose spouse or common-law partner has died may also need:

- Marriage certificate/statutory declaration and proof of cohabitation
- Citizenship/immigration documents
- Death certificate of spouse or common-law partner

In addition to signing a “statutory declaration,” common-law couples must also provide documented proof that they have been living in a conjugal or marriage-like relationship for at least 12 months. The documents you choose should indicate your marital status or give your shared address. You can use the following documents to prove cohabitation:

- income tax and benefits returns
- Guaranteed Income Supplement applications
- joint bank accounts
- wills
- investments
- bills

If you have any questions about proving your common-law relationship, please call us at the number on page 28.

Citizenship or immigration documents

If you were not born in Canada, you must prove your legal status in Canada by showing us your citizenship or immigration documents. If you have not lived continuously in Canada since the

age of 18, you must submit proof of all the dates when you arrived in or left Canada. Usually, you do this with a passport. The application kit contains more detailed information about these requirements.

> **What kinds of income do I have to report?**

When applying for the GIS, you must report the following income:

- Canada Pension Plan or Quebec Pension Plan benefits
- Private pension income and superannuation
- Foreign pension income
- RRSPs that you have cashed
- Employment Insurance benefits
- Interest on any savings
- Any capital gains or dividends
- Income from any rental properties
- Any employment income

Benefits from the Old Age Security program are **not** considered income for this purpose.



Receiving benefits

> The GIS

Once we approve your application for the GIS, we will add it to your Old Age Security pension payment each month.

> The Allowance

Once we approve your application, your Allowance will begin the month after one of these dates, **whichever is latest**:

- your 60th birthday,
- when you meet the residence and income requirements, **or**
- when your spouse or common-law partner qualifies for the Guaranteed Income Supplement;
- when your spouse or common-law partner dies (in the case of the Allowance for the survivor).

If you apply late for OAS benefits, we can give you a retroactive payment for up to 11 months.

> **What day of the month can I expect my payment to arrive?**

Payments usually arrive in the last three banking days of each month. If your payment is more than a week late or if you lose your cheque, please call us (see page 28).

> **Can you send the payment to my bank?**

Yes. We can deposit your payment into your bank account through our direct deposit service. Direct deposit offers several advantages:

- Your deposit is always on time and you can immediately start using the money or earning interest.
- Your payment is never lost, stolen or damaged.
- Your payment is automatically deposited into your account, even if you are ill or away.

If you wish to sign up for direct deposit by telephone, call us at the number shown on page 28. Be sure to have the following information when you call:

Personal information

- your social insurance number

- your telephone number, including the area code
- your current home address, including the postal code

Banking information

- the name of your bank or financial institution
- the branch number of your bank
- your account number

If you have a chequing account, you can find the bank information on your cheques.

> What happens if I move?

If you are planning to move, please tell us your new address and postal code as soon as possible. This will allow us to update our records and make sure your payment gets to you on time. Even if your payments are deposited directly into your bank account, we need to know your new address so we can send you information and your yearly income tax slip or renewal form.

> Can I receive my benefit outside Canada?

If you spend more than six months in a row outside Canada, we will make payments for the month you leave and for the six months after that. Then payments will stop.

For example, if you left Canada in January, we would send payments until the end of July. After July, the payments would stop.

If you stay outside the country for a longer period, then return to Canada to stay, you can reapply.

> What happens if the cost of living goes up?

We will increase your pension payments to reflect increases in the cost of living as measured by the Consumer Price Index. We apply any increases every three months—in January, April, July, and October. Your monthly payment will not be reduced if the cost of living goes down.

> **Can my benefits stop?**

We stop paying your GIS, Allowance, or Allowance for the survivor benefits when you die or if one of the following occurs:

- You do not reapply for the benefit for the coming year.
- You leave Canada for more than six months in a row.
- Your income, or in the case of the Allowance, your income combined with that of your spouse or common-law partner, is above a certain level.
- You qualified for the Allowance for the survivor because your spouse or common-law partner died, then you remarried or began living in a common-law relationship.
- You receive the Allowance and you separate from your spouse.



When to renew your benefits

Your annual income and marital status can change from year to year. Therefore, **you must apply every year to renew the Guaranteed Income Supplement, the Allowance and the Allowance for the survivor.**

The GIS is based on your annual income, or the combined annual income of both you and your spouse/common-law partner. The Allowance and the Allowance for the survivor are also based on annual income and marital status.

In most cases, you can apply to renew your GIS, your Allowance, or your Allowance for the survivor benefit by simply filing your income tax and benefit return by the April 30 deadline. The Canada Revenue Agency will then give us the income information we require to reassess your eligibility.

If you do not reapply for your benefit in the spring, or if your income is higher than a certain level, your payments will end in July of that year. Allowance benefits will also stop when you reach 65 and become eligible for the Old Age Security pension.

If you do not file an income tax and benefit return, or if we need more information, we will send you a renewal form. If you receive a form from us, you must complete and return it as soon as you have all the necessary income information.

Each July, you will receive a letter that tells you the amount of your new monthly payment.



Filing your income tax return

Even though neither the Allowance, the Allowance for the survivor, nor the GIS is considered taxable income, you must still report these benefits on your tax return.



Appealing a decision

If you disagree with any decision that affects your eligibility or the amount of your benefit, you have the right to an explanation.

Call us (see page 28) first and we can usually settle the matter on the phone. If you are not satisfied with our response, you can ask for a reconsideration of a decision regarding your benefit. This request must be made in writing within 90 days of receiving the notice of decision. If you are still not satisfied with the decision after reconsideration, you may then appeal to a Review Tribunal.



Protecting your privacy

Your privacy is protected by law.

The *Old Age Security Act and Regulations* ensure that only specific agencies authorized by the Minister of Human Resources and Social Development are entitled to review the relevant parts of your records. Personal information in your file cannot be given to other agencies or individuals without your consent.

The *Access to Information Act* also prevents the release of information about you without your consent. There are two exceptions: information can be released if it has already been made public or if the release is allowed under the *Privacy Act*. The Government can use information only for the purpose for which it was collected, except to comply with a warrant or subpoena or to enforce a law.

> Can I have access to information on my file?

Yes. You have the right to review information about you that the Government of Canada keeps on file. To help you find it, the Government publishes *Info Source: Sources of Federal Government Information*.

To obtain information, you must fill out an information request form. These forms and *Info Source* are available in government offices open to the public, such as Service Canada Centres. They are also available at public libraries, at most rural post offices, at Canadian missions abroad, and on the Internet at <http://infosource.gc.ca>.



Other public retirement benefits

CPP/QPP

If you contributed to either the Canada Pension Plan or the Quebec Pension Plan in at least one year since January 1966, you may be eligible for a retirement pension at the age of 65.

If you have retired or substantially reduced your hours of work, you could qualify for a reduced retirement pension as early as the age of 60 if you have made sufficient contributions.

Disability and survivor benefits are also available under both plans if sufficient contributions have been made.

You must apply to receive any of these benefits. Call us at the number shown on page 28 for more information about the Canada Pension Plan.

For more information on the Quebec Pension Plan, contact:

La Régie des rentes du Québec
P.O. Box 5200
Québec, QC G1K 7S9
1 800 463-5185

TTY: 1 800 603-3540

www.rrq.gouv.qc.ca/en

War Veterans Allowances

You may also be entitled to benefits from other federal programs such as War Veterans Allowances. For more information, call Veterans Affairs Canada at 1 866 522-2122 or visit their website at www.vac-acc.gc.ca.

Provincial/territorial and municipal programs

Your provincial/territorial and municipal governments may offer income assistance and services to seniors. For more information, please contact these governments directly.



Other publications

(available in print, online or both)

Canada Pension Plan

- *Retirement Pension*
- *Disability Benefits*
- *Survivor Benefits*
- *Splitting your CPP credits upon divorce or separation*
- *Sharing your retirement pension for possible tax savings*

Old Age Security

- *Old Age Security Pension*

General

- *Overview (of the Canada Pension Plan and Old Age Security programs)*
- *Services for Seniors*
- *Services for People with Disabilities*

Fact sheets on social security agreements are also available.

> Contact us



1 800 277-9914 (toll-free)
1 800 255-4786 (TTY)



On the Internet or by email,
please visit:

www.sdc.gc.ca

Our lines are busiest at the beginning and end of the month. If your enquiry can wait, it's best to call at other times. Please have your social insurance number ready.

Service Canada delivers Old Age Security and Canada Pension Plan programs and services on behalf of the Department of Human Resources and Social Development.

Did you know?

Benefits for low-income seniors are going up!

The Guaranteed Income Supplement (GIS), the Allowance, and the Allowance for the survivor are going up.

The increase will be phased in over two years.

In January 2006, benefits paid under the GIS, the Allowance, and the Allowance for the survivor went up about **\$18 a month** for single seniors and about **\$29 a month** for couples. In January 2007, payments will increase again by the same amount.

Notes

Notes

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