

Guide to the Information Return

Tax Credit for Home-Support Services for Seniors

This guide is intended for any *landlord** or *syndicate of co-owners** that manages a building in which a senior citizen lives and receives home-support services, the cost of which is included in the rent or the condominium fees.

This guide will help landlords and syndicates of co-owners complete form TP-1029.MD.5-V, *Information Return: Tax Credit for Home-Support Services for Seniors*.

The terms in *italics* followed by an asterisk* are defined in Part 10 of this guide.

1 General information about the tax credit

The tax credit for home-support services for seniors is available to persons aged 70 or older who are Québec residents and who pay for home-support services. When seniors receive services **whose cost is included in their rent or in their condominium fees**, they must send Revenu Québec an information return completed by their landlord or by the syndicate of co-owners, as applicable.

2 Obligations of landlords and syndicates of co-owners

Landlords or syndicates of co-owners must complete form TP-1029.MD.5-V when the conditions below are fulfilled.

2.1 Landlords

Landlords must complete the form if all of the following conditions are met:

- the landlord rents a *dwelling** located in Québec to a senior citizen;
- the senior citizen certifies to the landlord that he or she (or the individual with whom the dwelling will be shared) will be 70 or older during the expected term of the lease; and
- the rent agreed on (amount indicated or to be indicated on the lease) includes the cost of one or more eligible home-support services (see the list in Part 4 of form TP-1029.MD.5-V). **Note** that as of January 1, 2007, nursing services are eligible for the tax credit.

2.2 Syndicates of co-owners

Syndicates of co-owners must complete the form if all of the following conditions are met:

- the senior lives in a *dwelling** in a residential complex held in co-ownership (condominium complex) located in Québec;
- the senior certifies to the syndicate of co-owners that he or she (or the individual with whom the dwelling will be shared) will be 70 or older during the year;

- the senior has asked the syndicate of co-owners to provide an information return; and
- the senior's condominium fees include the cost of one or more home-support services eligible for the tax credit. **Note** that as of January 1, 2007, nursing services are eligible for the tax credit.

3 Filing deadline

Landlords and syndicates of co-owners must complete form TP-1029.MD.5-V and send a copy to Revenu Québec and **two copies to the senior citizen** by the dates indicated below.

The law provides for a penalty of **\$25 for each day that the form is late**, to a maximum of \$2,500.

3.1 Landlords

Landlords must file the form:

- within 10 days after the initial lease is signed;
- on the date on which a lease is renewed, if form TP-1029.MD.5-V (formerly TP-1029.8.61.R-V) was not filed at the time the initial lease was signed;
- on the date on which a lease is renewed, if the terms of the lease entail changes to TP-1029.MD.5-V form (formerly TP-1029.8.61.R-V) that was already completed (for example, if a service is now eligible for the credit whereas it was not before). If the terms of the lease do not entail any changes to the form that was already filed, landlords do not need to complete it again.

3.2 Syndicates of co-owners

Syndicates of co-owners must file the form no later than the last day of February of the calendar year following the year for which the senior citizen requested the information return.

4 Services eligible for the credit

Two types of services, personal support services and maintenance or supply services, qualify for the tax credit. The services must be

- provided to the senior; or
- provided with respect to a *dwelling** (or the land on which the dwelling stands) of which the senior or his or her spouse is the owner, tenant or subtenant.

5 Value of eligible home-support services

Landlords or syndicates of co-owners, as applicable, must assign a **reasonable** value to eligible services included in the rent or condominium fees. The value may be obtained by assigning an overall cost for all the services or by adding up the cost of individual services.

6 What is included in the cost of services

The cost of a service includes

- the amounts payable to a business providing the services, including GST and QST;
- the gross salary or wages of the employee or employees providing the services, as well as the employer contributions (Québec Pension Plan contributions, the contribution to the health services fund, Québec parental insurance plan premiums and employment insurance premiums);
- administrative fees payable by the senior citizen;
- the costs related to the premises where meals are prepared and served to residents, in the case of services related to meals (property taxes, electricity, natural gas, heating and insurance).

7 What is not included in the cost of services

Only the cost of services (including GST and QST) is eligible for the credit. The cost of products or materials needed to render the services is not included.

For example, the value of the following is not included:

- toiletries used in providing assistance with personal hygiene;
- food used in preparing meals;
- cleaning products used in performing routine household tasks;
- goods purchased when shopping for daily necessities or running other errands;
- products or materials required to perform minor outdoor jobs.

8 Housekeeping services in an apartment or room

8.1 Landlords

- If the senior rents an **apartment**, only upkeep of the apartment is eligible for the tax credit. Upkeep of common areas is not included.
- If the senior rents a **room**, upkeep of the room and any common areas to which payment of rent gives access is eligible for the tax credit. Examples of common areas are the dining room, kitchen, living room and bathroom.

8.2 Syndicates of co-owners

If a senior **owns an apartment** (condominium), upkeep of the apartment and common areas of the building is eligible for the tax credit. Examples of common areas of the building are the entranceway, hallways or stairways.

9 Cases where services do not give entitlement to the tax credit

The services listed in Part 8 of form TP-1029.MD.5-V do not give entitlement to the tax credit if they are provided by one of the following persons:

- the senior's *spouse*;^{*}

- a *dependant* of the senior;^{*}
- a person who is claiming, or whose spouse is claiming, the tax credit for caregivers with regard to the senior;
- a health professional (acupuncturist, chiropractor, dietician, physician, etc.). **However**, nursing services **are** eligible for the tax credit;
- a member of a professional order subject to the *Professional Code* (accountant, notary, psychologist, social worker, etc.). **However**, nursing services **are** eligible for the tax credit.

Moreover, services are not eligible for the tax credit if they are related to **construction** or **repair work**, or if they are provided by a person required to hold a **certificate of competence** under the *Building Act* (for example, a plumber or an electrician).

Finally, the services listed in Part 4 of form TP-1029.MD.5-V are not eligible for the tax credit if they **are provided by a CHSLD** (residential and long-term care centre) that is a public institution or a private institution under agreement (publicly funded), a hospital centre, a rehabilitation centre, an intermediate resource or a family-type resource.

10 Definitions

Dependant

A child of the senior or any other person who ordinarily lives with the senior, and is related to him or her by blood, marriage or adoption.

Dwelling

A place in which the senior eats and sleeps, that is his or her main place of residence and that is:

- a house, an apartment in a rental building or a senior citizens' residence, or an apartment in a residential complex held in co-ownership (condominium complex), or any other residence;
- a room in a senior citizens' residence or in a private CHSLD (residential and long-term care centre) that is not under agreement (i.e., that is self-financing); or
- a room in a hotel or rooming house, if the senior lives in the room for more than 60 consecutive days.

Landlord

A person or corporation that manages an immovable **and** that rents or leases it. The landlord is not necessarily the owner of the immovable.

Spouse

A person to whom the senior is married at the time the services are rendered, or a person who is the senior's de facto spouse at that time, whether the person is of the same sex or the opposite sex.

Syndicate of co-owners

A group of co-owners of an immovable that conforms to the provisions of a co-ownership regulation. The syndicate is managed and financed by the co-owners through their condominium fees.