


An Overview of the Tax Credit for Home-Support Services for Seniors

Effective January 1, 2007



Improved credit





In January 2000, the government of Québec introduced the tax credit for home-support services for seniors. Under this measure, tax assistance is granted on an annual basis to persons aged 70 or older to help them pay expenses incurred to obtain home-support services.

Since that date, substantial changes, set to take effect on January 1, 2007, have been made to the tax credit. This folder provides an overview of the refundable tax credit for home-support services, as it applies from that date.



Who is entitled to the tax credit?

To claim the tax credit, you must be aged 70 or older and reside in Québec.

How much is the tax credit?

The tax credit corresponds to 25% of your eligible expenses incurred to obtain home-support services.

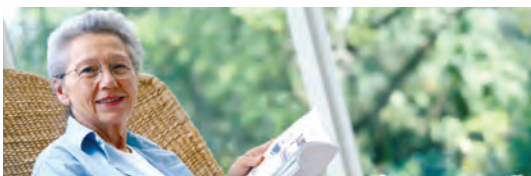
The annual ceiling on eligible expenses for the tax credit is \$15,000.

The maximum tax credit you may claim in any year is therefore \$3,750 (that is, 25% of \$15,000).

Please note that **you must be the person who pays the expenses** for the home-support services that you receive. The steps you must follow to apply for the tax credit are outlined below.



Which services are eligible for the tax credit?



Two types of services qualify for the tax credit: personal support services, and maintenance and supply services. The following list includes some specific examples:

- services related to daily activities such as dressing and personal hygiene (bathing);
- meal-preparation services (excluding the cost of the food itself);
- supervision services, such as night supervision and companion sitting;
- civic support services, such as assistance in filling out forms;



- nursing services, such as care provided by a nurse or nursing assistant;
- services related to routine household tasks, such as upkeep of living areas (sweeping, dusting or cleaning) and maintenance of appliances (cleaning an oven or refrigerator);



- clothing-care services, including care of household linens (curtains) and bedding;
- minor maintenance work outside a dwelling, such as lawn care and maintenance, hedge trimming and plant-bed maintenance, cleaning the outside of the dwelling, snow removal, and installing and removing seasonal shelters;
- minor maintenance work inside a building, if related to a facility (such as a pool) which could have been located outside;
- supplying everyday necessities and running other errands, such as grocery store delivery.

How do I apply for the tax credit?

By filing your income tax return

(for 2007 and subsequent taxation years)

When you file your return, you can claim the tax credit for

- eligible expenses that you incurred during the year;
- eligible expenses included in your rent or condominium fees.

It is therefore essential that you keep all invoices and contracts respecting eligible services you paid for during the year.

By applying for advance payments

(beginning January 1, 2007)

You may find it advantageous to apply for advance payments of the tax credit if the amount of your eligible expenses is substantial. To receive advance payments, follow the procedure outlined below:

- Complete form TP-1029.MD.1-V, *Registration for Advance Payments*.
- Complete form TP-1029.MD.2-V, *Application for Advance Payments*, in which you indicate the amount of the eligible expense or expenses (expenses starting in 2007, including

expenses included in your rent or condominium fees).

- Send both forms to Revenu Québec.

You will then receive from Revenu Québec

- confirmation that you are registered for advance payments;
- another copy of form TP-1029.MD.2-V, *Application for Advance Payments*, that you can use for any subsequent application.

How are advance payments made?

Revenu Québec will **deposit the amount of the tax credit directly** in your bank account within 30 days following an application.

However, if you are claiming a regular expense that you pay over a period of several months (such as an expense included in your rent), Revenu Québec will **deposit the amount of the tax credit directly** in your bank account before the 1st of each month.

Note that you must

- file an income tax return for a year in which you receive advance payments of the tax credit; and
- keep all your supporting documents.

Calculation of the tax credit

Example

Ms. Jackson files a claim for advance payment of the tax credit for a home-support service that costs her \$400.

The credit deposited in Ms. Jackson's account is \$100 (that is, 25% of \$400).

The following example shows how the credit is calculated when it takes the form of advance payments on a monthly basis.

Example

Mr. Brolin files a claim for advance payment of the tax credit for an eligible monthly expense of \$175.

The credit deposited in Mr. Brolin's account each month is \$43.75 (that is, 25% of \$175).

Important

You must notify Revenu Québec of any change that may affect the amount of the advance payments of the tax credit (such as the signing of a new lease or the termination of a service contract).



For more information

Please contact the Revenu Québec office in your area. You can also refer to the brochure *The Tax Credit for Home-Support Services for Seniors* (IN-102-V). Publications and forms are available at all Revenu Québec offices and on the Revenu Québec Web site at www.revenu.gouv.qc.ca.

This publication is provided for information purposes only. It does not constitute a legal interpretation of the *Taxation Act* or any other legislation.

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Information concerning individuals and individuals in business

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Montréal area
514 864-6299

Toll-free
1 800 267-6299

Information concerning businesses, employers and consumption taxes

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Information service for persons with a hearing impairment

Montréal **514 873-4455**

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We invite you to visit our Web site at www.revenu.gouv.qc.ca.

Vous pouvez vous procurer la version française de cette publication en demandant le document *Les grandes lignes du crédit d'impôt pour maintien à domicile d'une personne âgée* (IN-101).

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