



# The "Special Needs" Planner

Prepared by the "Special Needs" Planning Group

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Enriching Lives

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## ODSP Benefits to Increase:

Since 1993, the ODSP (FBA) benefits have been pegged at a maximum of \$930 per month. This amount assumes that a person is living independently of his or her parents. If the person lives in the family home, the monthly amount is reduced to \$708. During the same time frame, the cost of living has increased by 18%. People living on the ODSP program are living well below the poverty line.

The Eves Government has heard our demands. In the April 30, 2003 Speech to the Throne, the government stated: "...it will increase Ontario Disability support Program payments to better help people with disabilities lead happier, more productive and dignified lives." At the time of writing of this newsletter, there has been no statement with regard to the timing or size of the increase. We can only wait and see...

Any increase will be welcomed but we are hoping that the Government will understand the real needs of people. (As an interesting sidebar, it should also be noted that the Provincial Liberal Party's election platform includes the promise to index the ODSP benefits to the cost of living). It appears that the strenuous lobbying activities of organizations in the special needs community are finally being listened to by Government.

## RRSP-Breaking News

The recent Federal Budget may have some good news for families in Canada. Under the old income tax rules, parents and grandparents of people with disabilities were only able to transfer their RRSP's and RRIF's to a

spouse or directly to a financially dependant adult child with a disability within very restrictive definitions. Under the February 18<sup>th</sup> Budget, Finance Minister John Manley made changes to the federal tax rules. These changes will allow parents and grandparents to roll RRSP's and RRIF's into a trust established for the benefit of an dependant adult with a disability without triggering any immediate tax liability. The result of this could be another planning tool for families of people with disabilities.

In order for these changes to be put into effect, there were two problems which had to be overcome. The first problem was that a trust could not hold a RRSP or RRIF. In January of this year, the Federal Government proposed a change which would allow the trust to hold this type of asset. The second problem was with regard to the definition of a dependant. The tax rules used to define a financially dependant adult child as an individual receiving less than \$7634 per year.

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## We're on the Internet!!!

The Special Needs Planning Group is pleased to announce the official launch of our Web Site. It has been quite some time in the making and now is open for viewing. We expect that it will be a valuable resource for families, legal professionals, trustees and anyone else who is interested in planning for people with disabilities. Please sit back and enjoy the experience of sharing information and ideas and keeping up to date on changes that affect the lives of people with disabilities in Ontario. The site is found at: [www.specialneedsplanning.ca](http://www.specialneedsplanning.ca)

## RRSP-Breaking



## News Continued:

If a person was receiving ODSP benefits, their annual income would be in excess of the cut off amount and therefore, they would be ineligible. The recent budget raised the income cut off amount to \$13,814 per year. This change has opened up this planning option to thousands of people in Canada.

However, there may be a down side to this RRSP breakthrough. Through consultations with various knowledgeable people in the area of ODSP regulations, our concerns have been heightened. It appears that when the funds are paid to the person with the disability, a tax liability will be created. When the trust pays the tax, we are concerned that the ODSP will consider the payment to be income in the hands of the person with the disability. This could cause a reduction or termination of benefits. Correspondence has been sent to the Minister for clarification and an update will follow in our next issue of the Special Needs Planner. In the meantime, we are cautiously optimistic. We suggest that our planning programs do not rely on RRSP rollovers....Yet!

## Big Mud Puddles and Sunny Yellow Dandelions

When I look at a patch of dandelions, I see a bunch of weeds that are going to take over my yard.

My kids see flowers for Mom and blowing white fluff you can wish on.

When I look at an old drunk and he smiles at me, I see a smelly, dirty person who probably wants money and I look away.

My kids see someone smiling at them and they smile back.

When I hear music I love, I know I can't carry a tune and don't have much rhythm so I sit self-consciously and listen.

My kids feel the beat and move to it. They sing out the words. If they don't know them, they make up their own.

When I feel wind on my face, I brace myself against it. I feel it messing up my hair and pulling me back when I walk.

My kids close their eyes, spread their arms and fly with it, until they fall to the ground laughing.

When I pray, I say thee and thou and grant me this, give me that.

My kids say, "Hi God! Thanks for my toys and my friends. Please keep the bad dreams away tonight. Sorry, I don't want to go to Heaven yet. I would miss my Mommy and Daddy."

When I see a mud puddle I step around it. I see muddy shoes and dirty carpets.

My kids sit in it. They see dams to build, rivers to cross, and worms to play with.

I wonder if we are given kids to teach or to learn from? No wonder God loves the little children! Enjoy the little things in life, for one day you may look back and realize they were the big things. I wish you Big Mud Puddles and Sunny Yellow Dandelions!!!

"Life is not measured by the number of breaths we take but by the moments that take our breath away."

*Contact Graeme Treeby at:*  
*(905) 640-8285*

*or*

*graemetreeby@sympatico.ca*  
*www.specialneedsplanning.ca*