



# H&R BLOCK

## CARING FOR AN AGING PARENT? HERE'S WHAT YOU SHOULD KNOW AT TAX TIME

- **Are you a caregiver?:** Age, income and living situation are the deciding factors for determining a caregiver for tax purposes. If your parent or parents are 65 or over, have less than \$18,906 in income and are living with you, you can claim the caregiver amount. You can also claim parents under the age of 65 if they are dependent on you due to an infirmity.
- **Support from afar:** Even if you are providing support to your parent or parents, they have to live with you in order to claim the caregiver credit. Sending money to support them does not qualify.
- **Caregiver amount:** The caregiver amount was meant to encourage Canadians to help care for their parents or relatives at home. The federal caregiver amount is \$4,282 for each dependant which results in \$640 in tax savings. There are also provincial caregiver amounts that will add to your savings.
- **Disability Tax Credit:** If your parent qualifies for the Disability Tax Credit but does not have sufficient taxable income to take advantage of it, they may be able to transfer the unused amount to you. They must depend on you for all or some of the basic necessities of life for the transfer to be allowed.
- **File their tax returns:** Your parent or parents should still file their tax returns to take advantage of tax credits and deductions. Also, if they qualify for the Guaranteed Income Supplement (GIS), they need to file in order to keep receiving it.
- **Nursing home expenses:** If you pay for your parents' nursing home fees, you may be able to claim them as a medical expense. However, because you cannot claim both nursing home fees and the disability tax credit, it may be more beneficial to restrict your claim to the attendant care portion of the fees to the extent that they do not exceed \$10,000.