

What is the Canada Disability Benefit?

Launched in June 2025, the Canada Disability Benefit (CDB) is a new federal program providing monthly financial support to working-age Canadians living with disabilities. The benefit aims to reduce poverty and provide greater financial security for those who may face additional living costs related to their disability.

Who is Eligible?

To be eligible for the CDB, an individual must:

- be between the ages of 18 and 64
- be approved for the Disability Tax Credit (DTC)
- have filed their most recent federal income tax return
- be a Canadian resident for income tax purposes, and
- be a Canadian citizen or permanent resident¹.

Once **all** these conditions are met, an individual may apply for the CDB.

How Much Are the Benefits?

The CDB provides a maximum benefit of **\$2,400 per year** (or **\$200 per month**) for low-income individuals.

To receive the full benefit:

- your **adjusted family net income (AFNI)** for the prior year must be **\$23,000 or less²**, or
- **\$32,500 or less²** if you have a spouse or common-law partner.

If your income exceeds these thresholds, the monthly benefit is reduced by \$0.20 for every extra dollar of income³. If the annual benefit is less than \$240 (or \$20 per month), it will be paid as a lump-sum once a year instead of monthly.

The benefit is indexed to inflation, **non-taxable**, and **does not affect eligibility for other federal benefits**.

How to Apply

Applications are now open. If you are already approved for the DTC, you may receive a letter from Service Canada with instructions.

If you don't receive a letter, but believe you may be eligible, you can still apply:

- **online** through the Service Canada website
- **by phone**
- **in person** in a Service Canada office, or
- **by mail**, using the completed "Application for the Disability Benefit" form.

Service Canada aims to process applications within 28 calendar days. If a legal representative applies on your behalf, the timeline may extend to 49 days.

Why It Matters

The CDB marks a step in addressing financial insecurity among Canadians with disabilities. If you or someone you know may be eligible, now is the time to apply and take advantage of this long-awaited support.

Want More Details?

To learn more about the CDB, visit the official government page: <https://www.canada.ca/en/services/benefits/disability/canada-disability-benefit.html>

For help understanding how the CDB fits into your broader wealth plan—or that of a family member—reach out to your Wellington-Altus advisor.

¹ To meet this criteria, you must be a Canadian citizen, a permanent resident, an individual registered or entitled to be registered under the *Indian Act*, a protected person, or a temporary resident who has lived in Canada throughout the previous 18 months.

² The first \$10,000 of employment income (\$14,000 for couples) is excluded from AFNI.

³ If both you and your spouse/common-law partner are eligible for the CDB, the monthly benefit is reduced at a rate of \$0.10 for every dollar over the AFNI threshold.

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