



Canada Disability Savings Program System

Understanding Refusal Reasons

Employment and Social Development Canada (ESDC), is responsible for administering disability savings incentives to eligible beneficiaries of Registered Disability Savings Plans (RDSPs). Incentives paid into an RDSP by the CDSP system are the:

- Canada Disability Savings Grant (grant)
- Canada Disability Savings Bond (bond)

This document explains the Refusal Reasons received in response to financial requests for grant and/or bond when the CDSP system processes a financial transaction but does not award full benefits. The document also describes means to resolve/re-process transactions that have been allocated a refusal reason by the CDSP system.

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Background Information

This document provides information to assist in understanding Refusal Reasons. For additional technical information, consult the Interface Transaction Standards (ITS).

What is a Refusal Reason?

Refusal Reasons indicate why transactions requesting grant or bond, which met all formatting rules and were processed by the system, did not receive a full grant or bond payment.

How are Refusal Reasons Reported to Issuers?

The CDSP system reports Refusal Reasons in the 66-67 position of the 901 record type provided at the end of each reporting period. This is applicable to the:

- Canada Disability Savings Grant (**grant**) request submitted through a RT 401-01, and a
- Canada Disability Savings Bond (**bond**) request submitted through a RT 401-05.

How do Refusal Reasons Differ from Error Codes?

If the CDSP system cannot process an RDSP transaction sent by an issuer, due to an error in the transaction information, the transaction is rejected. In these cases, a record type 801 transaction with an Error Code indicating why the transaction was not processed is provided in the Error File report that references the original transaction identifier along with the name of the field in error. These Error Codes should be investigated and new transactions with the corrected information resubmitted.

Transactions successfully processed by the CDSP system will not generate Error Codes. If a transaction is processed but the full amount of grant or bond is not paid, a refusal reason will be generated and reflected in the record type 901.

Using this Document

This document lists the following information for each incentive:

- Refusal Reason Codes and a detailed explanation for each code.
- How to resolve or better understand what caused the refusal.
- A referral to an appropriate point of contact for situations where further investigation may be required to resolve the issue. The points of contact referred to in the document are:
 - CDSP Issuer Support: 1-888-276-3632
 - CDSP Client Services: 1-866-204-0357
 - CRA: 1-800-959-8281 (E) or 1-800-959-7383 (F)

REFUSAL REASON	EXPLANATION
01 Maximum Current Entitlement of Grant /Bond Paid	<p>All of the beneficiary's grant/bond entitlement, including any carry forward entitlement, has been paid out for the calendar year in which the contribution or bond request was made. This refusal reason is also generated when a bond request is processed with zero bond payment because the income level of the beneficiary /primary caregiver (PCG) exceeds the maximum.</p> <p>Resolution: Generally no action is required. If the grant or bond paid does not match the expected amount, investigate and contact CDSP issuer support for more information if required.</p>
02 Lifetime Contribution Limit Exceeded	<p>The total amount of contributions (including rollovers) for a beneficiary has exceeded the \$200,000 contribution limit. Any subsequent contributions made after this limit is reached are refused grant.</p> <p>Resolution: Investigate what caused the total contribution amount to exceed \$200,000 and determine if any contributions were reported incorrectly. If there is a discrepancy in the contribution amount(s), submit a contribution correction with the correct amount. If a discrepancy exists in the beneficiary's lifetime contribution amount, contact CDSP issuer support for more information.</p>
03 Lifetime Limit Exceeded	<p>The beneficiary has received the maximum lifetime grant payable of \$70,000 or for bond, \$20,000.</p> <p>Resolution: No action is required. This refusal reason on a contribution or bond request means that no further grant or bond will be paid to the beneficiary.</p>
04 Age of Beneficiary	<p>The transaction date of the contribution is later than December 31st of the year in which the beneficiary turned 49.</p> <p>Resolution: No further action is required as grant will not be paid after the end of the year in which the beneficiary turned 49.</p>
05 Specimen Plan not Valid	<p>The specimen plan reported on the bond request no longer has a valid status in the CDSP system. To be valid, a specimen plan must have a status of "registered", "under review", "ceased" or "revoked". This refusal reason only occurs during the annual resubmission of an active bond request.</p> <p>Resolution: Contact CDSP issuer support to verify the status of the specimen plan reported on the bond request.</p>
06 No Grant requested	<p>Grant was not requested on a contribution as the grant requested flag was set to "No".</p> <p>Resolution: Confirm that grant was to be requested for the contribution and if yes, submit a contribution correction transaction for the same amount as the original contribution, and ensure the flag is set to "Yes".</p>

REFUSAL REASON	EXPLANATION
08 SIN Not Usable	<p>The Social Insurance Number (SIN) reported on the contribution requesting grant or bond has been flagged as “not usable” by the Social Insurance Registry (SIR).</p> <p>Resolution: A SIN can be flagged for a number of reasons, and if the contract holder has questions about the reason they should contact SIR. If the beneficiary’s SIN is unusable because they have a new SIN, resubmit the bond request or submit a contribution correction using the new SIN.</p>
10 Invalid Beneficiary SIN	<p>The SIN used on the annual resubmission of a bond request is no longer valid as it has been linked to a new SIN.</p> <p>Resolution: Contact the contract holder to validate the SIN and if required obtain the beneficiary’s new SIN and resubmit a bond request using the updated SIN if applicable.</p>
19 Contract Not Registered	<p>A grant or bond request has been submitted for a contract that does not have a status of registered.</p> <p>Resolution: Use the Contract Status Report to determine why the contract is not registered and re-submit the contract registration package if applicable. If it is not clear why the contract was not registered, contact CDSP issuer support.</p>
21 Last Bond payment under this application – new 18+ Bond request required	<p>This is a warning message to submit a new bond application request because the beneficiary is in his or her 18th year. If no 18+ application is submitted bond will no longer be paid.</p> <p>Resolution: Request that the holder complete a new 18+ bond application and resubmit the request.</p>
22 Bond request is not/no longer designated to attract Bond for the Beneficiary	<p>The original bond request submitted is no longer active.</p> <p>Resolution: Notify the holder and ask if they would like to continue receiving bond. If yes, submit a new bond request to reactivate the bond.</p>
24 Contract status conditions for adjustment of payment not met	<p>A correction has been submitted on a contract that has a status of closed or de-registered.</p> <p>Resolution: Determine if contract has correct status and take corrective action. Contact CDSP issuer support if required.</p>
26 Bond resubmission date is not within issuer approval dates	<p>The annual resubmission of an active bond request occurred after the cessation date of the Specimen Plan.</p> <p>Resolution: Verify the Specimen Plan eligibility with CDSP issuer support and then resubmit the bond request with a date which is within the specimen plans approved period. Generally no action is required as the contract is closed or transferred when the specimen plan is no longer approved.</p>

REFUSAL REASON	EXPLANATION
29 Beneficiary is a non-resident	The beneficiary is not a Canadian resident as of the day the transaction occurred. Resolution: Refer the holder to CRA to confirm the beneficiary's residency status as of the transaction date.
30 Beneficiary DTC eligibility not confirmed	DTC eligibility has not been confirmed by CRA for the beneficiary in the year which the transaction occurred. Resolution: Refer the holder to CRA to confirm DTC.
32 Beneficiary DTC eligibility not confirmed for 2 or more consecutive non-election years	DTC eligibility has not been confirmed by CRA for the beneficiary for two or more consecutive years where an election has not been submitted. Resolution: Refer the holder to CRA to confirm DTC.
33 Beneficiary DTC eligibility not confirmed for 5 or more consecutive years	DTC eligibility has not been confirmed by CRA for the beneficiary for five or more consecutive years regardless of a DTC election. Resolution: Refer the holder to CRA to confirm DTC.
99 Other	Used only in special cases. Resolution: Information provided as these cases occur.