



Benefits for Seniors with Low Income

- The Guaranteed Income Supplement
- The Allowance
- The Allowance for the Survivor

March 2012

Contents

The Old Age Security program	1
The Guaranteed Income Supplement	2
The Allowance and the Allowance for the Survivor	4
Residence requirements	5
Applying for benefits	7
Receiving benefits	11
How to renew your benefits	16
Filing your income tax return	17
Appealing a decision	18
Protecting information about you	18
Other benefits	20
Using My Service Canada Account	22
Contact us	23

Service Canada delivers the Old Age Security program on behalf of the Department of Human Resources and Skills Development.

This publication contains general information on the Old Age Security program. In case of dispute, the wording and provisions of the *Old Age Security Act* and Regulations prevail.

This publication can be made available in alternative formats such as Braille, large print, audio cassette, CD, DAISY, and computer diskette. Call 1 800 O-Canada (1-800-622-6232) to request a copy. If you have a hearing or speech impairment and use a teletypewriter (TTY), call 1-800-926-9105.

March 2012

Online: www.servicecanada.gc.ca

La version française est intitulée
Prestations destinées aux aînés à faible revenu
(ISPB-341-03-12F)

© Her Majesty the Queen in Right of Canada, 2012

ISPB-341-03-12E
SG5-50/1-2012E
978-1-100-18253-7

The Old Age Security program

The Old Age Security (OAS) program is the cornerstone of Canada's retirement income system.

The OAS program is financed from the general revenues of the Government of Canada, which means you do not pay into it directly. In this way, the OAS differs from the Canada Pension Plan (CPP), which is a contributory plan that people pay into when they work. The CPP provides a range of benefits to contributors and their families, which include retirement, disability, survivor, and death benefits.

OAS and CPP benefits, combined with retirement savings, investments, and private pension plans, provide Canadians with one of the best retirement income systems in the world.

There are four types of OAS benefits:

- the OAS pension;
- the Guaranteed Income Supplement;
- the Allowance; and
- the Allowance for the Survivor.

This publication provides detailed information about the Guaranteed Income Supplement, the Allowance, and the Allowance for the Survivor.

For more information about the OAS program, visit our Web site at **www.servicecanada.gc.ca** or contact us (see page 23).

The Guaranteed Income Supplement

The Guaranteed Income Supplement (GIS) is an additional benefit that may be added to the OAS pension for pensioners living in Canada who have low income. To be eligible to receive the GIS, you must be receiving (or be eligible to receive) the OAS pension and meet the income requirements.

You should apply for the GIS if you are eligible to receive the OAS pension and your income is low. To qualify:

- you must be 65 or older;
- you must reside in Canada; and
- your annual income must be under a maximum amount specified for the year (see the table on page 3). If you are married or living in a common-law relationship, your combined incomes will be considered in the calculations.

If you qualify for the GIS, the amount you receive will depend on your **marital status** and your **income**, not including your OAS pension income. The following table shows the maximum monthly GIS payments for the period of January to March 2012. The amounts may rise over time to keep up with inflation.

Keep in mind that you can expect to receive the maximum GIS benefit amount only if you have no other source of income.

Note

If you and your spouse or common-law partner are living apart for reasons beyond your control (for example, if one of you has to live in a hospital or nursing home), each of you may be considered as single if that gives you a higher monthly payment.

Marital status of GIS recipients	Maximum monthly GIS benefit (January to March 2012)	Maximum income (January to March 2012)
Single, widowed, or separated	\$732.36	\$16,368
Couple – an OAS pensioner and a spouse or common-law partner who does not receive any benefit under the OAS program	\$732.36	\$39,264
Couple – two OAS pensioners	\$485.61	\$21,648
Couple – an OAS pensioner and an Allowance recipient	\$485.61	\$39,264

To find out whether you qualify for the GIS based on your personal situation, or for more information, visit our Web site at **www.servicecanada.gc.ca** or contact us (see page 23).

The Allowance and the Allowance for the Survivor

The Allowance and the Allowance for the Survivor are benefits for seniors aged 60 to 64 with low income and living in Canada. These benefits are designed to bridge the gap until they become eligible for the OAS pension.

The Allowance

The Allowance is available to the spouses or common-law partners of OAS pensioners.

You should apply for the Allowance if you meet the following conditions:

- you are 60 to 64 years old;
- you and your spouse or common-law partner's combined annual income is less than \$30,336* (not including OAS pension amounts);
- you have resided in Canada for at least 10 years since the age of 18;
- your spouse or common-law partner receives an OAS pension and is eligible to receive the GIS; and
- you and your spouse or common-law partner are not divorced or voluntarily separated.

* The income amount above is valid for January to March 2012 only. For the most up-to-date figures, contact us (see page 23).

The Allowance stops at age 65, when you may become eligible for the OAS pension and possibly the GIS. In January 2012, the maximum monthly Allowance payment was \$1,025.73.

The Allowance for the Survivor

The Allowance for the Survivor is available to a widowed spouse or surviving common-law partner with a low income.

You should apply for the Allowance for the Survivor if you meet the following conditions:

- you are 60 to 64 years old;
- your annual income is less than \$22,080*;
- you have resided in Canada for at least 10 years since the age of 18; and
- your spouse or common-law partner has died and you have not remarried or entered into a common-law relationship.

The Allowance for the Survivor stops at age 65, when you may become eligible for the OAS pension and possibly the GIS. In January 2012, the maximum monthly Allowance for the Survivor payment was \$1,148.35.

Residence requirements

To qualify for either the Allowance or the Allowance for the Survivor, you must be a Canadian citizen or a legal resident of Canada.

* The income amount above is valid for January to March 2012 only. For the most up-to-date figures, contact us (see page 23).

If you have **not** resided in Canada for at least 10 years since you turned 18, but you have resided or worked in a country that has a social security agreement with Canada, you may still qualify for a partial benefit. Contact us for more information (see page 23).

Newcomers to Canada

Sponsored immigrants

If you are a sponsored immigrant from a country with which Canada has a social security agreement, you are not eligible for the GIS, the Allowance, or the Allowance for the Survivor during your sponsorship period (up to a maximum of 10 years), even if you obtain your Canadian citizenship during your sponsorship period, unless you:

- have 10 years of residence in Canada after the age of 18; **or**
- had resided in Canada as a Canadian citizen or permanent resident on or before March 6, 1996; **or**
- had resided in Canada as a Canadian citizen or permanent resident on or before March 6, 1996, but became eligible for OAS benefits on January 1, 2001, or earlier; **or**
- were receiving OAS benefits for the month of March 1996 or earlier.

Your sponsorship period may be considered broken if your sponsor:

- dies;
- is imprisoned for more than six months;

- is convicted of abusing you; or
- suffers personal bankruptcy.

If one of these events occurs during your period of sponsorship, contact us (see page 23). You may be eligible for a partial benefit, starting the month of the event.

Non-sponsored immigrants

If you are a non-sponsored immigrant, you may be eligible to receive the GIS, the Allowance, or the Allowance for the Survivor based on the number of years you resided in Canada after age 18.

If you have resided in Canada for less than 10 years since you turned 18, but you have resided or worked in a country that has a social security agreement with Canada, you may be eligible for a partial benefit. Your benefit entitlement will gradually increase with every year that you continue to reside in Canada until you have reached 10 years of residence.

Applying for benefits

To receive any of these benefits, **you must apply**.

To continue receiving your benefit, it must be renewed each year (see “How to renew your benefits” on page 16). Your monthly payments may increase or decrease according to changes in your annual income and marital status.

How do I apply for the GIS?

To apply for the GIS:

- if you are applying for the OAS pension, include a GIS application (if you do not have one, indicate on your OAS application that you also want to apply for the GIS and a separate application will be sent to you); or
- complete an application form on our Web site, print it, sign it, and return it to us; or
- request an application form by calling 1-800-277-9914 (TTY: 1-800-255-4786).

To apply for the Allowance or the Allowance for the Survivor:

- complete an application form (ISPB 3008) on our Web site, print it, sign it, and return it to us; or
- call one of our service delivery agents at 1-800-277-9914 (TTY: 1-800-255-4786) and we will send you an application kit.

Complete the application and return it to us as soon as possible. You could lose some benefits if you don't apply right away.

What documents will I need to provide?

If you are **married** and applying for the first time, you must provide a marriage certificate. If you were married in Canada but don't have your marriage certificate, there are two ways to get it:

- You can get a certificate from the church in which you were married.

- You can contact the Registrar of Vital Statistics in the capital city of the province or territory in which you were married.

If you were married outside Canada and don't know how to obtain your marriage certificate, contact us (see page 23).

If you are in a common-law relationship, you must provide a statutory declaration that gives the date when you and your partner began living together.

This applies to both opposite-sex and same-sex common-law relationships. Contact us for a copy of this form and for help to complete the declaration (see page 23).

In addition to signing a statutory declaration, if you are in a **common-law relationship**, you must also provide documents that prove you have been living in a conjugal or marriage-like relationship for at least 12 months. The documents should indicate your marital status or give your shared address. You can use the following documents to prove you lived together:

- income tax and benefit returns
- joint bank accounts
- wills
- investments
- bills

If you have any questions about proving your common-law relationship, please contact us (see page 23).

If you are applying for the **Allowance**, you will also need to provide your citizenship or immigration documents.

If you are applying for the **Allowance for the Survivor**, you will also need to provide:

- your citizenship or immigration documents; and
- the death certificate of your spouse or common-law partner.

Citizenship or immigration documents

If you were not born in Canada, you must prove your legal status in Canada by showing us your citizenship or immigration documents. If you have not lived continuously in Canada since the age of 18, you must submit proof of all the dates when you arrived in or left Canada. You can do this with a passport. The application contains more detailed information about these requirements.

What kinds of income do I have to report?

When applying for the GIS, the Allowance, or the Allowance for the Survivor, you must report the following income:

- Canada Pension Plan or Quebec Pension Plan benefits
- private pension income and superannuation
- foreign pension income
- withdrawals from registered retirement savings plans (RRSPs)
- amounts you receive from a life income fund (LIF) or registered retirement income fund (RRIF)

- employment and self-employment income
- workers' compensation benefits
- Employment Insurance benefits
- interest on savings
- capital gains or dividends
- income from rental properties

Benefits from the OAS program are not considered income for this purpose.

Receiving benefits

Once we approve your application for the GIS, we will add it to your OAS pension payment each month.

Once your application for the Allowance or the Allowance for the Survivor is approved, your benefit will begin the month after one of these dates, **whichever is latest**:

- your 60th birthday;
- when you meet the residence and income requirements;
- when your spouse or common-law partner qualifies for the GIS; or
- when your spouse or common-law partner dies (in the case of the Allowance for the Survivor).

If you apply late for benefits, we may be able to give you a retroactive payment for up to a maximum of 11 months.

When will I receive my payments each month?

If you are like most OAS recipients and you choose to sign up for direct deposit,

your payment will be deposited automatically into your bank account on the third to last banking day of the month. Otherwise, your payment will be sent to you by mail, usually during the last three banking days of each month.

Can you deposit the payment directly into my bank account?

Yes. Through our direct deposit service, we can deposit your payment into your bank account in Canada. Direct deposit is also available in the United States and in a number of countries overseas.

How do I sign up for direct deposit?

You can sign up for direct deposit when you apply for your OAS benefit. It's fast, reliable, and secure.

Not only will you receive your payments without any postal delay and be able to access them faster, but you can also be sure they will never be lost, stolen, or damaged.

To sign up, you will need:

- your Social Insurance Number; and
- your banking information—institution name and number, branch number, and bank account number (you can find this information on your personal cheques or bank statements).

Are you already receiving your payments by cheque?

You can sign up for direct deposit online, by phone, or in person:

Click [servicecanada.gc.ca/msca](https://www.servicecanada.gc.ca/msca)
(using My Service Canada Account)

Call 1-800-277-9914
TTY: 1-800-255-4786

Visit a Service Canada Centre

For direct deposit outside Canada, you will need to complete the application form for your country of residence and mail it to the address below. You can download the form from our Web site at www.servicecanada.gc.ca/directdeposit, or you can request one by calling 613-990-2244 (collect calls accepted) or by writing to:

International Direct Deposit
PO Box 7000
Matane QC G4W 4T5
CANADA

Note

We do **not** charge you service fees for the direct deposit service. However, some financial institutions may do so. Please contact your bank or financial institution for more details.

What should I do if I move?

If you are planning to move, you need to tell us your new address and postal code as soon as possible. This will allow us to update our records and make sure your payment gets to you on time. Even if we deposit your payments directly into your bank account, we need to know your new address so we can send you information and your yearly T4A(OAS) income tax slip.

To change your address and direct deposit information, either contact us or go online to use My Service Canada Account. For information about this service, see “Using My Service Canada Account” on page 22.

Can I receive my benefits outside Canada?

If you are receiving the GIS, the Allowance, or the Allowance for the Survivor and you spend more than six months in a row outside Canada, we can only send your benefit payments outside Canada for the month you left and for six months after that. For example, if you left Canada in January, we would send payments until the end of July. After July, the payments would stop.

If you stay outside the country for a longer period, then return to reside in Canada, contact us (see page 23) and we will review your eligibility for these benefits.

Will I get cost-of-living increases?

Yes. We will increase your benefit payments to reflect increases in the cost of living, as measured by the Consumer Price Index. We apply any increases four times a year—in January, April, July, and October.

Note

Your monthly payment will not decrease if the cost of living goes down.

What happens if my income drops?

In some situations, such as when you stop working or when your other pension income stops or decreases, we can calculate your GIS, Allowance, or Allowance for the Survivor benefits by estimating your income for the current year, instead of using last year's income. If you or your spouse or common-law partner has a lower income this year, you should let us know. Your benefits may increase.

Can my benefits ever stop?

Yes. We stop paying your GIS, Allowance, or Allowance for the Survivor if one of the following events occurs:

- You have not filed an individual income tax and benefit return with the Canada Revenue Agency or, by the end of June each year, we have not received the information on your income (or combined income) for the previous year.
- You have reached the age of 65, so your Allowance or Allowance for the Survivor will stop (however, you may be eligible to apply for the OAS pension and the GIS).
- You receive the Allowance and you divorce or voluntarily separate from your spouse or common-law partner.
- You leave Canada for more than six months in a row.
- Your income—or, in the case of a married or common-law couple, your combined income—is above a certain level.

- You qualified for the Allowance for the Survivor because your spouse or common-law partner died, but you have since remarried or begun a common-law relationship.
- You are incarcerated in a federal penitentiary for a sentence of two years or longer, or in a provincial or territorial correctional facility for a sentence of 90 days or longer when an information-sharing agreement is in place. Your payments will resume the month of your release.

You can apply for benefits while you are incarcerated. If we approve your application, payment will begin the month you are released. We may pay retroactive benefits (up to 11 months) for any months in which you were not incarcerated, including the first month of your incarceration.

Notes

- Spouses or common-law partners of incarcerated individuals may be entitled to GIS or Allowance benefits during the incarceration period, provided other eligibility factors are met. The incarcerated individuals must apply for OAS in order for their spouses or common-law partners to receive benefits.
- When you die, it is important that someone notify us about your death.

How to renew your benefits

The amount of your GIS, Allowance, or Allowance for the Survivor is based on your marital status and your annual income

(or the combined income of you and your spouse or common-law partner). Marital status and income can change from year to year. Therefore, to renew your benefit, you must provide us with your annual income information.

In most cases, you can automatically renew your benefit simply by filing your individual income tax and benefit return by the April 30 deadline every year. The Canada Revenue Agency will then give us the income information we need to reassess your entitlement.

If you do not file an income tax and benefit return, or if we need more information, we will send you a renewal form. You must complete the form and return it as soon as you have all the necessary income information.

If we do not receive your income information by the end of June, or if your income is higher than a certain level, your payments will end in July of that year.

If we receive your income information by July, we will review your eligibility and send you a letter with the decision. If your eligibility continues, the letter will indicate the amount of your monthly payment.

Filing your income tax return

Are my benefits taxable?

No. The GIS, the Allowance, and the Allowance for the Survivor are not taxable income. However, you still have to report

these benefits on your income tax and benefit return.

Appealing a decision

If you disagree with a decision that affects your GIS, Allowance, or Allowance for the Survivor benefit, you have the right to an explanation. If you contact us, we can explain the reasons for our decision.

If you are not satisfied with our response, you can ask us to reconsider the decision. To do this, you must send a letter to your Service Canada regional director no later than 90 days after receiving notice of our original decision. The mailing address for your region is on the decision letter.

If you are still not satisfied after this reconsideration, you can appeal the decision. If you would like to know more about the appeal process, visit our Web site at www.servicecanada.gc.ca or contact us (see page 23).

Protecting information about you

Who can see the information in my file?

Your privacy is protected by law.

Only specific agencies authorized by the Minister of Human Resources and Skills Development are entitled to review the relevant parts of your records. Personal information in your file cannot be given to

other agencies or individuals without your consent.

The *Access to Information Act* also prevents the release of information about you without your consent. There are two exceptions: information can be released if it has already been made public, or if the release is allowed under the *Privacy Act*. The Government of Canada can only use information for the purpose for which it was collected, unless it is using it to comply with a warrant or subpoena, or to enforce a law.

Can I see the information in my file?

Yes. You have the right to review information about you that is kept on file by the Government of Canada. To help citizens access information about themselves, the Government produces a document called *Info Source: Sources of Federal Government Information*.

To review this information, you must complete an information request form. This form and the *Info Source* document are available on the Internet at www.infosource.gc.ca. You can also access them online at any Service Canada Centre.

Can I correct inaccurate or incomplete information or provide information not previously disclosed when I applied for my benefit?

Yes. Service Canada's disclosure policy allows individuals to come forward and correct inaccurate or incomplete information,

or to disclose information they did not divulge during previous dealings with Service Canada.

To be valid, a disclosure must be voluntary, complete, and accurate, and must be given before an investigation has been started by Service Canada. Making a valid disclosure may exempt an individual from penalty or from having the case referred by the Minister to the RCMP for investigation and potential prosecution.

If you would like to correct an error or inaccuracy, or if you want to make a voluntary disclosure of a misrepresentation, call Service Canada at 1 800 O-Canada (1-800-622-6232) or visit a Service Canada Centre for help to begin the process.

Other benefits

Could I be eligible for other benefits?

Canada Pension Plan (CPP) and Quebec Pension Plan (QPP)

If you contributed to the CPP and/or the QPP in at least one year since January 1966, you may be eligible for a retirement pension from one plan or the other.

You must apply to receive your CPP retirement pension (or your QPP retirement pension). You can apply as early as age 60, but the earlier you take your retirement pension, the less it will be. The later you take it (up to the age of 70 when increases stop), the more it will be.

Note

The Government of Canada is gradually introducing some important changes to the CPP from 2011 to 2016. Many of these changes are now in effect and apply only to the CPP retirement pension. For more detailed information about the changes to the CPP, visit the Service Canada Web site at **www.servicecanada.gc.ca/cppchanges**.

CPP or QPP disability and survivor benefits are also available if you have made sufficient contributions and you meet other eligibility requirements. You must apply to receive any of these benefits.

For more information about the CPP, visit our Web site at **www.servicecanada.gc.ca** or contact us (see page 23).

For more information about the QPP, contact La Régie des rentes du Québec:

On the Web **www.rrq.gouv.qc.ca/en**

By phone 1-800-463-5185
TTY: 1-800-603-3540

Employment Insurance

You may be eligible for benefits under the Employment Insurance (EI) program. Visit our Web site at **www.servicecanada.gc.ca** or contact us for more information (see page 23).

Note

Any OAS, GIS, Allowance, and Allowance for the Survivor benefits you receive are not counted as income when we calculate your OAS benefits. However, any EI, CPP, and QPP benefits you receive **are** considered to be income and may affect the GIS, Allowance, or Allowance for the Survivor benefit you receive.

War Veterans Allowance

If you are a veteran, you may be entitled to receive benefits under other federal programs, such as financial assistance under the *War Veterans Allowance Act*. For more information, call Veterans Affairs Canada at 1-866-522-2122 or visit the Web site at **www.vac-acc.gc.ca**.

Provincial/territorial and municipal programs

Your provincial/territorial and municipal governments may offer income assistance and services to seniors. For more information, contact these governments directly.

Using My Service Canada Account

My Service Canada Account is a secure online service that allows you to:

- get your OAS and CPP tax slips online instead of waiting for them to come in the mail;
- sign up for direct deposit and receive your payments faster;*
- view your most recent payment amounts;
- view your *CPP Statement of Contributions*; and
- change your mailing address.*

*If you live outside Canada, you may only view your direct deposit and mailing address information to verify whether or not it is correct.

Visit **www.servicecanada.gc.ca/msca** for more information.

Contact us

Click **servicecanada.gc.ca**

Call From Canada and the United States: 1-800-277-9914

If you have a hearing or speech impairment and use a teletypewriter (TTY): 1-800-255-4786

From all other countries (collect calls accepted): 613-990-2244

Visit a Service Canada Centre

Note

Please have your Social Insurance Number ready when you call.