



Benefits for Seniors with a Low Income

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

March 2013

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.

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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 program 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, including retirement, post-retirement, disability, survivor, and death benefits.

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

In addition to the OAS pension, there are three types of income-tested benefits that provide additional support to seniors with low incomes:

- the Guaranteed Income Supplement (GIS);
- the Allowance; and
- the Allowance for the Survivor.

This publication provides an overview of the OAS pension and detailed information about the GIS, the Allowance, and the Allowance for the Survivor.

For more information about the OAS program, visit our Web site at **www.serviccanada.gc.ca/oas** or contact us.

The OAS pension

The OAS pension is a monthly payment available to most seniors aged 65 and older who meet the legal status and residence requirements.

If you meet the eligibility requirements, you can receive the OAS pension even if you are still working or have never worked.

◆ Who can receive the OAS pension?

People residing in Canada

You must:

- be 65 or older;
- be a Canadian citizen or a legal resident at the time we approve your pension application; and
- have resided in Canada for at least 10 years after turning 18.

People residing outside Canada

You must:

- be 65 or older;
- have been a Canadian citizen or legal resident of Canada on the day before you left Canada; and
- have resided in Canada for at least 20 years after turning 18.

If neither scenario applies to you

You may still qualify for a pension from another country, from Canada, or from both if you have:

- lived in one of the countries with which Canada has established a social security agreement; or
- contributed to the social security system of one of the countries with which Canada has established a social security agreement.

To see the list of countries with which Canada has a social security agreement, visit our Web site at **www.servicecanada.gc.ca/international**.

The Guaranteed Income Supplement

The Guaranteed Income Supplement (GIS) is an additional benefit that may be added to your OAS pension if you have a low income. You must apply for it.

To qualify for the GIS:

- you must reside in Canada;
- you must be in receipt of an OAS pension; and
- your income or in the case of a couple, your income combined with your spouse's or common law partner's income from the previous year, must be under a maximum amount specified for the year (see the table on page 5).

If you qualify for the GIS, the amount you receive will depend on your current **marital status** and your **income from the previous year**, excluding your OAS pension.*

* Any OAS pension, GIS, Allowance, and Allowance for the Survivor benefits you receive are not counted as income when we calculate your OAS benefits.

The following table shows the maximum monthly GIS payments for the period of January to March 2013 as examples. See our Web Site for current amounts. The benefits amounts are reviewed four times a year — in January, April, July and October.

Keep in mind that you can expect to receive the maximum GIS benefit amount only if you have no other source of income. The income used to calculate your GIS amount does not include the OAS pension nor the first \$3,500 of employment income.

Note

If you and your spouse or common-law partner are both in receipt of OAS and 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 paid at the single rate if that gives you a higher monthly payment.

Marital status of GIS recipients	Maximum monthly GIS benefit (January–March 2013)	Maximum income (January–March 2013)
Single, widowed, or separated	\$740.44	\$16,560
Couple – an OAS pensioner and a spouse or common-law partner who does not receive any benefit under the OAS program	\$740.44	\$39,696
Couple – two OAS pensioners	\$490.96	\$21,888
Couple – an OAS pensioner and an Allowance recipient	\$490.96	\$39,696

To find out whether you qualify for the GIS, or for more information, visit www.servicecanada.gc.ca/oasamounts or contact us.

The Allowance

The Allowance is a benefit available to the spouses or common-law partners of GIS recipients.

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

- you are aged 60 to 64 (up to and including the month of your 65th birthday);
- your spouse or common-law partner receives an OAS pension and the GIS;
- you are a Canadian citizen or a legal resident;
- you reside in Canada and have resided in Canada for at least 10 years since the age of 18; and
- your income combined with your spouse's or common-law partner's income is less than the maximum amount*.

* See our Web site for the current maximum amount. For example, as of January 2013, the maximum combined income allowed for the Allowance was \$39,696 (not including OAS pension and benefit amounts).

You do not have to be retired to be eligible for the Allowance. The Allowance stops the month after your 65th birthday, when you may become eligible for the OAS pension and possibly the GIS.

In January 2013, the maximum monthly Allowance payment was \$1,037.03.

The Allowance for the Survivor

The Allowance for the Survivor is available to people with low income whose spouse or common law partner is deceased. It can supplement the Survivor's Pension that is paid to the surviving spouses or common-law partners of deceased Canada Pension Plan contributors.

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

- you are aged 60 to 64 (up to and including the month of your 65th birthday);
- you are a Canadian citizen or a legal resident;
- you reside in Canada and have resided in Canada for at least 10 years since the age of 18;
- your spouse or common-law partner has died and you have not remarried or entered into a common-law relationship; and
- your annual income is less than the maximum amount*.

The Allowance for the Survivor stops the month after your 65th birthday, when you may become eligible for the OAS pension and possibly the GIS. In January 2013, the maximum monthly Allowance for the Survivor payment was \$1,161.01.

* See our Web site for the current maximum annual amount. For example, as of January 2013, the maximum annual income allowed for the Allowance for the Survivor was \$22,320.

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.

If you have **not** resided in Canada for at least 10 years since you turned 18, but 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.

◆ Newcomers to Canada

Sponsored immigrants

You may qualify for the GIS, Allowance or Allowance for the Survivor with less than 10 years of residence in Canada if you come from a country with which Canada has a social security agreement. However, if you are a sponsored immigrant you are not eligible to receive the GIS, the Allowance, or the Allowance for the Survivor during your sponsorship period, 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
- 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:

- suffers personal bankruptcy;
- is imprisoned for more than six months;
- is convicted of abusing you; or
- dies.

If one of these events occurs during your period of sponsorship, call us. 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 have resided in Canada after age 18.

If you have resided in Canada for fewer than 10 years since you turned 18, but you have lived 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

◆ Deferring your OAS

Starting July 2013, you can choose to delay receiving your OAS pension for up to 60 months after your 65th birthday in exchange for a higher monthly amount.

Your monthly pension will be increased by 0.6% for every month you delay receiving it, up to a maximum of 36% at age 70.

If you choose to defer your OAS pension, you will not be eligible for the Guaranteed Income Supplement (GIS) for the period you are delaying your OAS pension. In addition, your spouse or common-law partner will not be eligible to receive the Allowance during that period.

You should consider your personal situation as you decide when to start receiving your OAS pension, as it may affect other benefits that you, or your spouse or common-law partner, could receive. Elements to consider include your:

- current and future sources of income;
- employment status now and in the future;
- health; and
- plans for retirement.

◆ **Applying for the OAS Pension and GIS**

Proactive enrolment will eliminate the need for many seniors to apply for the OAS pension. This new process will be phased in from 2013 to 2016.

If you are going to be automatically enrolled for your OAS pension, you will be notified by mail the month after you turn 64. If you do not receive a letter within six months of turning 64, you must complete an application form and submit it to Service Canada in order to receive your pension.

Whether you are automatically enrolled, or you submit an application for the OAS pension, **you must apply for the GIS.**

Starting in April 2023, the age of eligibility for the OAS pension and the GIS will gradually increase from 65 to 67. The ages of eligibility for the Allowance and the Allowance for the Survivor will also gradually increase from 60–64 to 62–66. These changes affect those born after March 31, 1958.

◆ **Applying for the Allowance or Allowance for the Survivor**

To receive the Allowance or the Allowance for the Survivor, you must apply.

To continue receiving your benefits, you must renew your application each year (see “Renewing your benefits” on page 20). Your monthly payments may increase or decrease according to changes in your annual income and marital status.

◆ **Applying for the OAS pension and all benefits**

If a medical condition prevented you from applying for a benefit when you became eligible to receive it and you could not ask someone to apply for you, you may still be eligible to receive a retroactive lump sum payment. Contact us to obtain the *Declaration of Incapacity* form (ISP1800).

If you apply for your benefits after you become eligible for them, we may be able to give you a retroactive payment for up to a maximum of 11 months from the date we receive your application.

◆ How do I apply?

Guaranteed Income Supplement

- indicate on your OAS pension application form that you want to apply for the GIS (we will mail you a GIS application form); or
- complete and submit the *Application for the Guaranteed Income Supplement or Statement of Income for the Allowance or Allowance for the Survivor* form (ISP-3025) found on our Web site, with your OAS pension application form; or
- request a GIS application form (ISP-3025) by calling 1-800-277-9914 (TTY: 1-800-255-4786); or
- pick up a GIS application form at a Service Canada Centre.

Allowance or Allowance for the Survivor

Complete the *Information Sheet for the Allowance or Allowance for the Survivor* form (ISP-3008A) and the *Application for the Guaranteed Income Supplement or Statement of Income for the Allowance or Allowance for the Survivor* form (ISP-3025) found on our Web site. Complete, sign and mail these forms to us.

You can also call us at 1-800-277-9914 (TTY: 1-800-255-4786) and we will send you the form. Complete the application and return it to us as soon as possible.

◆ **What documents will I need to provide?**

If you are applying for the first time for the GIS, the Allowance or the Allowance for the Survivor, you must provide the following documents, depending on your marital status.

If you are married:

- a marriage certificate
 - **If you were married in Canada**
you can get it
 - from the church in which you were married; or
 - from 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 you don't know how to obtain your certificate, contact us.

If you are in a common-law relationship:

- a statutory declaration using the *Statutory Declaration of Common-Law Union* form (ISP-3104) outlining the date when you and your partner began living together. The form can be found online. Contact us if you need help to complete the declaration.

- documents that prove that you have been living together for at least 12 months. These documents should indicate your marital status or give your shared address, such as:
 - income tax and benefit returns;
 - joint bank account statements;
 - bills;
 - wills; or
 - investments.

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 with 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 you arrived in or left Canada for periods of over six months. You can do this by providing your passports, visas, airline, ship, and bus tickets, and other requested documents that prove your residence history in Canada.

When official documents are not available, additional evidence may be submitted such as school and census records, letters from employers and contracts (mortgage, lease, etc.). Contact us for examples of acceptable proof. If you have already provided these documents to us, you do not have to provide them again.

The *Information Sheet for the Allowance or Allowance for the Survivor* (ISP-3008A) 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 and deductions:

- CPP or Quebec Pension Plan (QPP) benefits;
- Other pension income, such as private pensions, superannuation, annuities, Registered Retirement Income Fund (RRIF) or foreign pension income;
- RRSPs that you cashed during the year;
- Employment Insurance benefits;
- Interest and other investment income;
- Capital gains and taxable Canadian dividends;
- Net income from any rental properties;
- Net employment income (minus the following deductions: your CPP and/or QPP contributions, your Employment Insurance premiums and up to \$3,500 of employment earnings);

- Net self-employment income (minus the following deductions: your CPP and/or QPP contributions on self-employment and your Employment Insurance premiums);
- Other income from sources such as workers' compensation payments, alimony, etc.;
- Other deductions such as union dues, Registered Retirement Savings Plan (RRSP) deductions, moving expenses, other employment expenses.

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 the Supplement 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 for your benefits after you become eligible for them, we may be able to give you a retroactive payment for up to a maximum of 11 months from the date we receive your application.

◆ **When will I receive my payments each month?**

Signing up for direct deposit will ensure your payment is automatically deposited into your bank account on the third-from-last banking day of each month. Otherwise, your payment will be sent to you by mail, usually during the last three banking days of each month.

For more information or to sign up for direct deposit, visit **www.servicecanada.gc.ca/directdeposit** or contact us.

◆ **What should I do if I move?**

If you are moving, 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 that we can send you your yearly T4A (OAS) income tax slip.

To change your address and direct deposit information, visit **www.servicecanada.gc.ca/msca** to use My Service Canada Account, or contact us.

◆ **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 leave 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 and then return to reside in Canada, contact us, 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. Benefits are reviewed four times a year — in January, April, July and October. 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 using your estimated 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 your income combined with your spouse's or common-law partner's 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. (See table on page 5 for more information.)
- You received 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 by virtue of 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. Visit our Web site for more information about benefits for incarcerated individuals and their families at **www.servicecanada.gc.ca/prisoner**.
- Upon your death. It is important for someone to notify us about your death.

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.

Renewing your benefits

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.

The amount of the GIS, Allowance, or Allowance for the Survivor is based on your current marital status and your income (or your income combined with your spouse's or common-law partner's income) from the previous year. Changes in marital status or income can change the amount

of your benefits from year to year. To renew your benefit, we must receive your income information each year.

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 GIS, Allowance or Allowance for the Survivor benefit payments will end in July of that year.

If we receive your income information by July, we will review your entitlement and send you a letter with our decision. If your entitlement 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.

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 are eligible for a retirement pension from one plan or the other.

The amount of your pension will depend on how much and for how long you have contributed to the CPP and on your age when you want your pension to start. If you take it before age 65, your pension will be reduced, at the most by 36% as of 2016 if you start receiving your retirement pension at the age of 60. If you take it after age 65, your pension may be larger, up to a maximum of an additional 42% at age 70. You must apply to receive your CPP or QPP retirement pension.

Your CPP Retirement Pension normally starts the month after your 65th birthday. However, you can start your pension as early as age 60.

Note

The Post-Retirement Benefit is a fully indexed lifetime benefit that can increase your retirement income if you work while receiving the CPP. Contributions are mandatory for working CPP retirement pension recipients under age 65 and their employers. Those 65 to 70 can choose not to contribute. For information, see our Web site.

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

For more information about the CPP, visit our Web site at **www.servicecanada.gc.ca/cpp** or contact us.

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

◆ **War Veterans Allowance**

If you are a veteran, you may be entitled to receive benefits 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 them directly.

◆ **Benefits Finder and other retirement planning tools**

You may use the interactive online Benefits Finder tool to help find other programs and benefits to which you may be entitled, at **www.canadabenefits.gc.ca**. Service Canada also provides a checklist for retirement planning and other useful tools, such as the Canadian Retirement Income Calculator at **www.servicecanada.gc.ca/calculate** that estimates your retirement income needs for the future.

Contact us

Click	servicecanada.gc.ca
Call	1-800-277-9914 (from Canada and the United States) 1-800-255-4786 (TTY: if you have a hearing or speech impairment and use a teletypewriter) 1-613-990-2244 (from all other countries, collect calls accepted)
Visit	a Service Canada Centre

Note

Please have your social insurance number ready when you call.