



Memorandum

The Regional
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Housing Services
Division

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To: Community Housing Providers, Durham Access to
Social Housing (DASH), Durham Regional Local
Housing Corporation (DRLHC), Housing Services
Staff

From: Erin Valant, Director of Housing Services

Subject: Treatment of Canada Disability Benefit Payments

The Canada Disability Benefit (CDB) is a new federal income-tested benefit providing up to \$200 per month (\$2,400 annually) to eligible individuals with disabilities aged 18 to 64. The CDB is currently not exempt from taxation under the *Income Tax Act*. This means the CDB will be included on line 23600 of a Notice of Assessment or Proof of Income Statement. The Ministry of Municipal Affairs and Housing is aiming to reduce the impact of the CDB on rent-geared-to-income households, while Ontario continues to call on the federal government to amend the *Income Tax Act* to exclude the CDB from taxation.

The CDB will not take effect until the 2025 taxation year, so increases to household income resulting from CDB payments will generally not impact RGI eligibility or rent until tax data for 2025 is used in annual reviews and eligibility determinations—typically as of July 1, 2026.

The Ministry of Municipal Affairs and Housing (MMAH) has issued guidance to help Service Managers mitigate potential negative impacts on Rent-Geared-to-Income (RGI) households.

Recommended Treatment of CDB

Under Section 51 of the Housing Services Act, Service Managers are authorized to forgive all or part of the rent payable by a household. This option allows for the exclusion of CDB payments from rent calculations, including:

- **Annual rent reviews**
- **In-year rent reviews**
- **Eligibility assessments**

By applying this approach, Service Managers can ensure that households receiving the CDB do not experience increased rent or reduced eligibility for RGI assistance.

To allow rent to be forgiven in the amount of the CDB, the benefit should not be included when reviewing an applicant's income against Durham Region's local income limits.

Next Steps

Canada Disability Benefit (CDB) payments should not be included when determining Adjusted Family Net Income (AFNI) or calculating Rent-Geared-to-Income (RGI). If a tenant or member is receiving the CDB and this income is included on line 23600 of their Notice of Assessment (NOA) or Proof of Income Statement, any amounts received in the applicable taxation year should be subtracted from the amount on line 23600 of their NOA or Proof of Income Statement to determine AFNI. When completing an Approximated Net Income calculation, any CBD amounts should be excluded. CDB payments should also be excluded when assessing an applicant's income against Durham Region's local income limits.

Please ensure this guidance is shared with all relevant staff to support consistent application of this treatment across the Region.