

AISH & TRUSTS

Trusts

A trust is an estate planning tool used to provide for the ongoing care and financial support of a person. A trust is a legal arrangement in which the person setting up a trust (the “settlor”) gives money or property to a second person (the “trustee”) to hold for the benefit of a third person (the “beneficiary”). In most cases the settlor, trustee and beneficiary are different people. However, a person may also set up a trust in which they are also the trustee and/or beneficiary. A trust can have one beneficiary or multiple beneficiaries. The legal relationship is often described in a will or other trust document.

There are two types of trusts: discretionary, often referred to as a Henson trust, and non-discretionary.

In a discretionary trust, the trust provides the trustee with the absolute discretion to distribute income and capital from the trust to the beneficiary.

In a non-discretionary trust, the trustee has limited control on the distribution of income and capital from the trust to the beneficiary. Typically, the trust document specifies the amounts and frequency that income and/or capital must be paid to the beneficiary.

Setting Up a Trust

AISH staff cannot advise applicants and clients how to set up a trust. Albertans are advised to seek professional advice with lawyers and/or financial planners with expertise in establishing trusts. It is important to make financial plans that meet each person’s or family’s unique situation. At a minimum, however, a trust document should:

- state the assets (e.g. cash, investments) being placed into the trust;
- identify who the trustee is;

- identify who the beneficiary is;
- provide the conditions of the trust, including direction on whether the trustee has absolute discretion in distributing income and capital from the trust to the beneficiary. If the trustee does not have absolute discretion, then the trust document should identify the amount and frequency of payments to be made to the beneficiary.

POLICY

The value of any assets (e.g. cash, investments, property, etc.) that are held in a trust in which an applicant, client or cohabiting partner is named as a beneficiary, is not included in a determination of assets. This means that being a beneficiary of a trust will not impact eligibility for AISH, including personal benefits. However, income received from a trust may impact the amount of the living allowance received. For this reason, applicants, clients and their cohabiting partners are required to submit all documents and information relating to the trust to the AISH program for review.

Note

The Office of the Public Guardian and Trustee (OPGT) may be appointed by the court as a trustee under the Adult Guardianship and Trusteeship Act (AGTA) for an adult who is

not able to make financial decisions. Assets of the AISH applicant, client or cohabiting partner which are held and managed by the OPGT are not a trust as defined above. While not exempt as a trust, depending on the nature of the asset, it may be an exempt or non-exempt asset.

The OPGT may also be appointed as a trustee of a trust by a court order under other legislation (e.g. the Wills and Succession Act) or in a trust document. In these cases, the OPGT may be appointed as a trustee for a





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discretionary or non-discretionary trust set up for the benefit of an AISH applicant, client or cohabiting partner. The assets held in these discretionary and non-discretionary trusts are considered exempt assets by the AISH program.

In some situations, the OPGT may be appointed as both trustee for an adult under the AGTA and trustee of a trust under a court order or in a trust document in which the same adult is a beneficiary.

In these cases, it is necessary to obtain detailed information about the assets and the authority under which they are held by the OPGT, to determine how they will be treated by the AISH program.

A private individual may also be appointed by the court as a trustee under the AGTA for an adult who is not able to make financial decisions (e.g., the sibling of a person receiving AISH benefits). Similar to the OPGT, assets of the AISH applicant, client or cohabiting partner which are held and managed by a private individual appointed as trustee under the AGTA are not a trust as defined above. While not exempt as a trust, depending on the nature of the asset, it may be an exempt or non-exempt asset.

In some situations, a private individual may be appointed as both trustee for an adult under the AGTA and trustee of a trust under a court order or in a trust document in which the same adult is a beneficiary.

In these cases, it is necessary to obtain detailed information about the assets and the authority under which they are held by the private individual, to determine how they will be treated by the AISH program.

You can open an RDSP at the financial institution or bank of your choosing.

AISH ASSETS

Assets are valuable items such as cash, securities and investments, stocks, shares, bonds, inventory, equipment, real estate, vehicles, and other property. When determining eligibility for AISH, the value of assets of



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an applicant, client and cohabiting partner are taken into consideration. As AISH uses assets to determine eligibility, applicants, clients, and their cohabiting partner are required to declare their assets and provide appropriate documentation to substantiate the value of those assets.

AISH classifies assets as either exempt (not counted) or non-exempt (counted). As a program eligibility requirement, the total value of all non-exempt assets owned by an applicant, client, and their cohabiting partner must not exceed \$100,000. The non-exempt asset limit for Personal Benefits must not exceed \$5,000, except in situations of financial hardship.

Exempt assets are not counted in the \$100,000 limit. These include:

- One principal residence, or one home quarter section of a farm (including buildings on the quarter section) in or on which an applicant or client resides. If the applicant or client is residing in a facility or institution, one principal residence where his or her cohabiting partner or dependent child principally reside.
- One vehicle that is not primarily used as a recreational vehicle.
- One vehicle adapted for the disability of the applicant, client, cohabiting partner, or dependent child if required for the disability.
- A Locked-In Retirement Account (LIRA), Life Income Fund (LIF), Locked-In Retirement Income Fund (LRIF).
- A Registered Disability Savings Plan (RDSP).
- The value of any assets that are held in trust in which an applicant, client or cohabiting partner is named as a beneficiary.
- Clothing and reasonable household items.
- A pre-paid funeral.
- Assets held by a trustee in a bankruptcy proceeding.





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- A non-commutable annuity purchased on or before February 1, 2002.
- Money received, or assets purchased with that money, from specific Government payments. However, interest earned from this money is not exempt.
- Money that is not considered income by AISH.
- The money is exempt for 12 months from the date an applicant, client or cohabiting partner receives the money.
- The exemption is intended to give applicants, clients and cohabiting partners time to invest the money into an exempt asset.
- Assets exempted by a director if it is disposed of within the time specified by the director.

Note

Per capita distribution (PCD) payments issued to members of the Tsuu T'ina First Nation under the Calgary Ring Road Agreement must be forwarded to the Director for consideration of an exemption.

Non-exempt assets are all other assets the applicant, client, and their cohabiting partner have.

The assets of an incorporated business are legally separate from its shareholders. The assets of an incorporated business are not a factor in determining eligibility for AISH benefits. However, all shares of an incorporated business owned by a client or cohabiting partner are considered an asset and may affect eligibility for AISH benefits.

AISH Financial criteria

AISH looks at the income and assets you and your spouse or partner have. You can work and be eligible for AISH – clients are encouraged to work to the extent they are able. When you apply for, or get AISH, you and your spouse or partner must:

- apply for all other income you may be eligible for, such as Canada Pension Plan Disability (CPP-D), employment insurance (EI) or Workers' Compensation Board (WCB) benefits.

- not have income or assets that are higher than the AISH program allows

Income

AISH typically considers income reported on your income tax form and your spouse or partner's income tax form. AISH does not consider a dependent child's income. How AISH treats income depends on:

- the type of income
- whether you are single or in a family with a spouse or partner and / or dependent children, and
- who receives the income

Some income is exempt – this means it is not counted and does not affect your AISH monthly living allowance. It includes things like:

- cash gifts
- income tax refunds
- registered disability savings plan (RDSP) payments
- registered retirement savings plan (RRSP) payments

Some income is non-exempt – this means it is counted at full value and subtracted dollar-for-dollar from your AISH monthly living allowance.

Some income is partially exempt – this means it is counted at part of its value and may affect your AISH monthly living allowance. These are examples of non-exempt and partially exempt incomes:

- employment income such as a wages paid by an employer, a training allowance or severance pay



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- self-employment income such as business, farming or professional income
- passive business income such as interest, dividends, capital gains, trust and rental income
- pension income such as Canada Pension Plan Disability (CPP-D), employment insurance (EI) and Workers' Compensation Board (WCB) benefits
- Before exemptions are applied, allowable income deductions are applied such as most Canada Revenue Agency (CRA) employment deductions like CPP and EI.

Assets

Assets are items of value like cash, investments, property and vehicles that you and your spouse or partner have.

Some assets are exempt – this means they are not-counted and include things like:

- a home or quarter section you live in
- a vehicle
- a second vehicle adapted for a disability
- clothing
- reasonable household items
- registered disability savings plans (RDSPs)
- a trust

Some assets are non-exempt – this means they are counted.

Non-exempt assets cannot be worth more than \$100,000 when they are added together and may include:

- cash
- chequing or savings accounts
- tax-free savings accounts (TFSA's)
- registered retirement savings plans (RRSPs)
- cash inheritances
- a recreational property or home
- recreational vehicles

When you receive money that AISH does not consider income, you have 365 days to invest it in an exempt asset or it will be counted as a non-exempt asset. This money may include:

- an inheritance
- a gift

- funds from selling the main home or quarter section where you lived and that AISH already considered exempt
- funds from selling your main or adapted vehicle that AISH already considered exempt
- funds from an insurance pay-out to cover damages to, or loss of, your main home or vehicle that AISH already considered exempt

Find out more about how AISH treats assets in the Your Guide to AISH: <https://open.alberta.ca/publications/9781460136607>

HAVE YOU BEEN
DENIED **AISH**

Before you file an Appeal,
Call VAD for help with the
denial process!

780-488-9088

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Hearing Accessibility in Alberta Health Care

By Sheila C. Serup

For Albertans with hearing loss, using self-advocacy and technology is becoming vital in health care, particularly in hospitals and residences.

All Albertans, at one point or another in their life journey, will experience a hospital visit or stay. Accurate two-way communication between health-care providers and patients is essential for healthcare but is not always accessible for people with hearing loss. Certain settings, such as the hospital, create even more accessibility barriers for people with hearing loss due to the loud noise and stressful environment. Although there are many tools and strategies that improve communication access for people with hearing loss, they are not being used to their full potential in the hospital or other healthcare facilities.

Accessibility services for Albertans with hearing loss range vary across the province.

The Alberta branches of the Canadian Hard of Hearing Association (CHHA) provide several services.

In Edmonton, CHHA-Edmonton branch delivers its Hearing Healthcare kits by way of a presentation to long term care facilities, including residents and staff in Edmonton.

“The kit contains pertinent information for the resi-

dents to help empower them when they need to go to a hospital,” describes Cindy Gordon, Program Director for CHHA Edmonton. The kits include handouts and tools for patients with hearing loss to communicate effectively with hospital staff. With these, “their stay in hospital is more comfortable,” she notes. The Hearing Healthcare Kits are funded by a federal New Horizons for Seniors Program grant. Details on the kits are available at CHHA-Edmonton <https://www.chha-ed.com/>



In Calgary, CHHA-Calgary provides, on request, real time captioning services if needed for medical appointments.

Research is underway by the University of Calgary (led by Dr. Marcello Tonelli) in partnership with Alberta Health Services and non-profit organizations to

better understand how hard of hearing patients and support persons experience hospital care, and to make suggestions for improving accessibility.

The goal of the study is to learn more about what changes are needed to make health services more accessible for hard of hearing patients and how to implement them into practice. This summer, the team invites people with hearing loss and support persons to attend focus group discussions to share thoughts about what tools and strategies can improve health services in Alberta.

Are you interested in contributing ideas? For more information or to register, please email hearing.study@ucalgary.ca.



WEB: www.chha.ca/calgary-2/
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WHY BECOME A VAD MEMBER?

There is strength in numbers and with your membership, VAD has the strength to provide relevant services to the public. With your commitment to becoming a VAD member, your membership fees help offset the costs of our advocacy services, accessibility assessments, and a movement to full inclusion for individuals in the province of Alberta.

Your support as a member allows VAD to manage and lead more effectively in the community. We are able to spend time collaborating and exchanging solutions with disability stakeholders and other VAD members. We ask our iVAD (individual members) to utilize our provincial membership first when purchasing services, products and suppliers, this allows members to save money through member buying opportunities when they arise.

As a voice for the disability community, VAD is able to achieve greater impact in the community and disability sector through services offered. VAD works with advocacy and public policy to create solutions to local issues. We offer disability awareness presentations and training to businesses, schools, and post-secondary institutions to generate individuals with an understanding of disability etiquette and social norms.

As a leader in the disability community, VAD offers promotes community events for the sector to participate in and ensures that accessibility measures are in place for full participation and inclusion. As an organization, VAD performs wayfinding for individuals needing assistance with forms and referrals.

VAD works with their membership to distribute and promote information from VAD, our members and pertinent associates. We have a large social media audience and host a catalog of information on our website and blog.

How your fees help?

Small donations have a huge impact and VAD membership fees are both reasonable and affordable for organizations and individuals. We offer a benevolent membership for individuals that cannot afford to pay the membership fees, this ensures anyone with interest in VAD can become a member without limitations.

VAD provides support and referral services to the public, we help over 1000 individuals annually and do not charge for our services. Your membership fees help VAD promote our services across the province. Many non-profits are created to support vulnerable groups, VAD is no exception. VAD works to improve awareness and promotion of diversity and inclusion through full participation in society.

Join VAD today and get connected to a network of peers, share ideas, and exchange solutions to address organizational change in the community as we strive for Excellence in our standard of practice and accountability in the disability sector.



2023-2024 YEAR

JOIN OUR MEMBERSHIP



FULL PARTICIPATION, ACCESSIBILITY, EQUITY

MEMBERSHIP FEES HELP OFFSET THE COSTS OF OUR ADVOCACY SERVICES, ACCESSIBILITY ASSESSMENTS, AND A MOVEMENT TO FULL INCLUSION FOR INDIVIDUALS IN THE PROVINCE OF ALBERTA.



Register at

<https://vadsociety.ca/login-signup/>

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