

Manitoulin-Sudbury District Services Board POLICY & PROCEDURES MANUAL	
Section: F. Children's Services	Effective Date: April 1, 2021
Topic: 9. Eligibility Criteria for Parents	Replaces: January 1, 2010
Subject: 9.1. Income Test	
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POLICY

Authority: Child Care and Early Years Act, 2014

A provincial income test must be completed for each applicant and for each ongoing client at regular intervals. Based on the Provincial income test, each family will be assigned a monthly contribution for child care. The family will be responsible for paying this **monthly** contribution to the child care centre.

PROCEDURE

The Manitoulin-Sudbury DSB receives the completed application, and the client's required information (as indicated on bottom of application) and determines if the client is eligible using income test.

The Income test will be completed for every applicant using the family's adjusted income from one of the following sources:

1. An official Notice of Assessment (NOA) for each applicant **Use** line 236 from the NOA (or both NOAs).
2. The Canada Child **Benefit** and Ontario Child Benefit Notice if there has not been a change in marital status from the period of the assessment; Use the line titled: Family Net Income.
3. An Income Tax Return Information form provided by Revenue Canada. **Use line 236 for each applicant.**

Notes on adjusted income:

- The Manitoulin-Sudbury DSB requires the previous year's income tax assessment for income tests during any appointment scheduled on or after July 1st in any year. For appointments scheduled before July 1st, we may use the adjusted income from the year before if the previous year's NOA has not yet been received. (For self-employed applicants, the cut-off date will be September 1st in any year.)
- If a family is in receipt of Ontario Works (OW) or ODSP they will be asked to bring in their NOA or equivalent so that an income test can be completed in the event that they stop receiving OW/ODSP benefits (The daily contribution will be overridden to \$0.) However, if the applicant does not bring in the correct Income Tax information the file can be completed with 0 entered as the adjusted family income.
- The NOA from one spouse may be used and an Income Tax Return Information (ITRI) form from the other spouse. If the UCCB amount is included on the ITRI, the RC-62 will not be required
- In the case of two parent/guardian families, both NOAs or ITRIs must be from the same tax year.

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- If the applicant declared bankruptcy during the tax year, the pre-bankruptcy and post-bankruptcy amounts must be combined. If the post-bankruptcy assessment has not yet been received an interim income test with the pre-bankruptcy NOA amount and an estimated post-bankruptcy amount (based on the income tax return) may be completed. However, the income test must be completed again after the post-bankruptcy assessment is received.
- If the applicant's income tax return is in the process of being re-assessed, the current assessment may be used until the re-assessment has been received. However, the income test must be completed again after the re-assessment is received.