

# Henson Trust & Trustee Considerations

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# WHAT IS ODSP?

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## Ontario Disability Support Program

- Provincial income support program
- Provides income and employment support to people with disabilities 18 to 65 years of age
- Amount of income depends on family size, income, assets and housing costs
- Monetary allowance and other benefits (health, disability-related, employment incentives, housing-related)

# ODSP BENEFITS

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Income Support

Other Benefits

- Dental Coverage
- Vision Care
- Hearing Assessment & Aid
- Prescription Drug Coverage
- Medical Transportation & Medical Supplies
- Special Diet Allowance
- Disability-Related Items & Services

Employment Incentives

Housing Related Costs

# ODSP – FINANCIAL ELIGIBILITY

INCOME	ASSETS
<ul style="list-style-type: none"><li>• Budgetary requirements must exceed income</li><li>• Non-exempt income: CPP, WSIB, pension payments</li><li>• Exempt Income:<ul style="list-style-type: none"><li>– Gifts and voluntary payments is \$10,000 per 12-month period (includes income from trusts)</li><li>– No limit on income for disability-related needs or from the RDSP</li><li>– Portion of employment income</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Non-exempt assets<ul style="list-style-type: none"><li>– Maximum allowable amount is \$40,000 (single recipient)</li></ul></li><li>• Exempt assets<ul style="list-style-type: none"><li>– Include a principal residence, vehicle, RDSP, RESP, Henson Trust, government-regulated trust, segregated fund up to \$100,000</li></ul></li><li>• Leaving assets to ODSP recipient in a will can negatively impact benefits and disrupt plan for care</li></ul>

# WHAT IS A TRUST?

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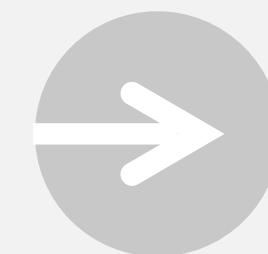
## SETTLOR

Person setting  
up the trust



## TRUSTEE(S)

Person(s) responsible  
for managing the trust



## BENEFICIARIES

Person who will  
receive the funds

# HENSON TRUST

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- Absolute discretionary trust
- Not considered an asset by ODSP
- No monetary limit applies
- Residual beneficiary(ies) named
- Inter-vivos (living) or testamentary (in a will) trust
- Consider naming multiple trustees

# TRUSTEE CONSIDERATIONS

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- Honest and trustworthy
- Highly involved in beneficiary's life
- Sensitive to beneficiary's needs and wants
- Understands ODSP rules
- Age
- Investments and income tax
- Record-keeping
- Be aware of potential conflicts of interest!