

## Note • Budget 2025

# Canada Disability Benefit Supplemental Payment for Disability Tax Credit Certifications

Legislative  
Costing  
Note



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Budget 2025 proposes a one-time supplemental Canada Disability Benefit (CDB) payment of \$150 for each Disability Tax Credit (DTC) certification, or re-certification, that leads to the qualification of a CDB entitlement. Beneficiaries would be retroactively eligible starting from the launch of the CDB program. The first supplemental payments are expected to be made to CDB recipients before the end of 2026-27.

PBO estimates that this measure will cost \$133 million over 2025-26 to 2029-30.

## 5-Year Cost

\$ millions

Fiscal year	2025-26	2026-27	2027-28	2028-29	2029-30	Total
Total cost	0	97	11	12	13	133

## Notes

- Estimates are presented on an accrual basis as would appear in the budget and Public Accounts.
- A positive number implies a deterioration in the budgetary balance (lower revenues or higher spending). A negative number implies an improvement in the budgetary balance (higher revenues or lower spending).
- Totals may not add due to rounding.

## Estimation and Projection Method

PBO estimated the number of Canada Disability Benefit (CDB) recipients using its internal CDB model and Statistics Canada's Social Policy Simulation Database/Model (SPSD/M).<sup>1</sup> Historical numbers and growth rates of working-age DTC certificate holders, as well as

<sup>1</sup> This analysis is based on Statistics Canada's Social Policy Simulation Database and Model (SPSD/M). The assumptions and calculations underlying the SPSD/M simulation results were prepared by the Office of the Parliamentary Budget Officer (PBO) and the responsibility for the use and interpretation of these data is entirely that of the PBO.

statistics on DTC certificate duration and expiry, were obtained from Canada Revenue Agency's Disability Tax Credit statistics and Information Request IR0769.

The number of CDB beneficiaries were projected using historical growth rates up to the end of 2026-27, with a cost of \$150 applied to everyone for that year. Anyone eligible since the beginning of the CDB program in June 2025 are assumed to receive their first payment in 2026-27, as indicated by the budget. In subsequent years, take-up was estimated by adding the net increase in CDB beneficiaries and the expected membership loss each year.

## Sources of Uncertainty

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The main sources of uncertainty relate to the data and assumptions for CDB take-up and the population of DTC certificate holders, as well as their evolution over the projection period. There is also upside cost uncertainty due to potential behavioural response. While this analysis did not incorporate a behavioural response due to the lack of data, this measure could potentially increase the number of DTC certificate applications and CDB take-up.

## Note prepared by

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## Data Sources

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**Disability Tax Credit (DTC) certificates and Canada Disability Benefit (CDB) entitlements**  
PBO CDB model, [CRA Disability Tax Credit statistics](#), CRA response to PBO information request IR0769, Statistics Canada SPSPD/M

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