



## **INHERITANCES AND LAST RESORT FINANCIAL ASSISTANCE BENEFITS**

“My mother died and left me an inheritance of \$100,000 in money and property. Do I have to declare this to my agent?”

We often hear this question, followed by: “My friend told me that I didn't; that's why I didn't declare it!”

First and foremost, you should know that every situation that could affect or modify your eligibility for benefits must be disclosed.

Will this disclosure affect your benefits?

Here, we must distinguish between social assistance benefits (the basic benefit and the temporarily limited capacity allowance) and social solidarity benefits (severely limited capacity for employment).

As regards benefits under the Social Assistance Program, any amount or property received as an inheritance will be included in a person's liquid assets or in the value of the person's property, and will therefore affect the benefits.\*

However, the situation is different for recipients of benefits under the Social Solidarity Program. In fact, section 164 of the *Individual and Family Assistance Regulation* allows such persons to receive an inheritance and/or the proceeds of a life insurance policy totalling up to \$219,000 in cash and/or property, without affecting their benefits.

The cash from an inheritance and/or life insurance policy can then be transformed once, to purchase property, which will not affect the benefits, or the property from an inheritance can be transformed into cash and still be covered by the exemption.

For example, if you use \$100,000 received as an inheritance in order to buy a country house, the country house will not be included as part of your assets. However, if you subsequently sell the country house, the money received from the sale will no longer be covered by the exemption and will be included in your liquid assets.

Similarly, if, for example, you inherit land in a remote location and you decide to sell it because you won't be able to use it, the proceeds of sale will not be included in your liquid assets.

If you have any doubts, it's best to consult a lawyer by making an appointment at a legal aid office near you.

To find the contact information for your legal aid office, please visit our website at [www.csj.qc.ca](http://www.csj.qc.ca).

\* *Unless the inheritance involves property or liquid assets that are expressly excluded, such as a car worth less than \$10,000, a house in which the recipient of the benefits lives and that is worth no more than \$153,000, an RRSP, etc...<sup>1</sup>*

<sup>1</sup> [See sections 145 and following of the Individual and Family Assistance Regulation](#)

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\* The information set out in this document is not a legal interpretation.

The masculine is used to designate persons solely in order to simplify the text.