

No More “Vanishing” Deductibles: Important Changes to the *Insurance Act* Deductible and Threshold

The no-fault deductibles in Ontario’s *Insurance Act* in tort claims for damages arising from car accidents have been amended, effective August 1, 2015. They have been increased to account for inflation and will be increasing slightly every year into the future.

Ontario Regulation 221/15 amending Ontario Regulation 461/96 (*Court Proceedings for Automobile Accidents that Occur on or after November 1, 1996*) was proclaimed in force August 1, 2015. http://files.ontariogovernment.ca/gazette_docs/ontariogazette_148-32_wa.pdf) Section 5.1 of that Regulation, which is titled “Deductible Amounts”, has now been amended, as have some sections of section 267.5 of the *Insurance Act*:

- The statutory deductible for non-pecuniary damages is now \$36,540, replacing the \$30,000 deductible.
- The \$100,000 threshold for non-pecuniary damages, pursuant to section 267.5(8) above which the \$30,000 (now \$36,540) deductible would not apply has been raised to \$121,799.
- The deductible for non-pecuniary damages for *Family Law Act* claimants, pursuant to section 267.5 (7) of the *Insurance Act*, is now \$18,270, replacing the \$15,000 deductible.
- The \$50,000 threshold for *Family Law Act* non-pecuniary damages, pursuant to section 267.5(8.1) above which the \$15,000 (now \$18,270) deductible would not apply has been raised to \$60,899.
- On January 1, 2016 and on January 1 in every year after 2016 these amounts will all be revised for inflation.

*If you would like a copy of this case or more information or a roadshow on motor vehicle litigation, please do not
hesitate to call.*

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