



Recalled to Work? You Can Still Collect COVID-19 Emergency Benefits From the CRA

Description

If you've been recalled to work during the COVID-19 pandemic, you might be wondering if you can still get the CRA's COVID-19 benefits. After all, programs like CERB and CESB were intended for people who aren't able to work. Now that you're back in the labour force, having to give up your cash benefits may seem inevitable.

That's only partially true. You can still get CERB if you're making less than \$1,000 a month at a part-time job. The same goes for CESB. Keep in mind the income limit: the \$1,000 a month cap on *continuing* to receive these benefits is much lower than the \$1,000 *bi-weekly* maximum to qualify in the first place.

Nevertheless, there are still plenty of CRA benefits you can qualify for after being recalled to work. Depending on your income level, these benefits may be substantial. The following are three you can still get, even if you're punching a time card every day.

Increased GST/HST rebates

To help Canadians stay afloat during the COVID-19 pandemic, the CRA has increased GST/HST rebate payouts. Previously, the maximum was \$443 per year. This year, it's \$886. This isn't a huge amount, but it is a benefit you can still get if you're working. GST/HST rebates are based on the previous tax year, so it doesn't matter what you're earning now. In 2019, the maximum you could have earned and still received the credit was \$46,648. That's assuming you're single and have no children.

Childcare benefits

[The childcare benefit](#) is another cash transfer that has been increased in the COVID-19 era. It now pays an extra \$300 a month on top of the normal amount. This is a significant cash transfer you can qualify for whether you're working or not. As long as you would have qualified for the regular benefit

last year, you can qualify for the increased benefit this year. The CRA's website does say that [income is a factor](#) in how much money you can receive from the CCB, but being employed is not a barrier to getting it.

Being re-hired under CEWS

You could argue that being re-hired under the CEWS is itself a COVID-19 benefit. If your employer wouldn't have been able to hire you *without* the CEWS, you're effectively being paid by the CRA. While getting paid to work might not *feel* like a government benefit, the CEWS ultimately is one.

One great thing about CEWS is that the money doesn't have any strings attached to it. When you receive it, it's considered regular employment income. So, there are no concerns about earning too much in a month or too little in a year or anything else like that.

This means that when you receive CEWS wages, you can spend them as you like. For example, if you decided that you wanted to invest your money in index funds like the **iShares S&P/TSX 60 Index Fund (TSX:XIU)**, you could do that. CERB and CESB are supposed to be spent on normal expenses: food, rent, healthcare, etc. While there's no indication that investing CERB money is against the rules, that could change in the future.

CEWS wages, by contrast, can be spent on anything you like. If you're an investor, that's a big plus. With CEWS money, you can invest in ETFs like XIU with a clear conscience, knowing that you're not going against the "spirit" of the program.

That's good news, too, because investing in dividend-paying ETFs is one of the best things you can do right now. Nobody knows how long the COVID-19 pandemic will last, or whether there will be a second wave that brings more lockdowns. What you do know is that diversified, dividend-paying ETFs like XIU can supply you with income that keeps coming over the long term. That's a benefit you don't get with the CERB or CESB.

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Author

andrewbutton

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