



## Canada Revenue Agency: How to Collect \$400/Week After CERB

### Description

The federal government have worked to ease citizens out of the Canada Emergency Response Benefit (CERB). Earlier this month, I'd discussed how CERB recipients could prepare for the [expiration of the program](#). Millions of Canadians have relied on this radical program to make up financial ground during this historic crisis. Fortunately, the federal government has brought forth alternatives for recipients in the second half of 2020.

### CRA: New benefits have been introduced as CERB winds down

Back in June, Justin Trudeau's government vowed to bring the Employment Insurance (EI) program "into the 21st century." At the time, we could only speculate what changes were coming down the pipe. In August, the federal government provided details on what the revamped EI program would look like.

First, the federal government announced a four-week extension for the CERB program. For workers who do not qualify to transition to EI, the federal government is creating three new temporary benefits. The Canada Recovery Benefit, the Canada Recovery Sickness Benefit, and the Canada Recovery Caregiving Benefit. All three benefits will be administered by the CRA.

The Canada Recovery Benefit will pay out \$400/week to recipients for up to 26 weeks. Meanwhile, the other two benefits will pay \$500/week. This should alleviate pressure on many of those who are transitioning away from the CERB.

### How to qualify for new EI benefits

Canadians who qualify for EI will now need only 120 hours of eligible employment to access unemployment and work-sharing benefits. This same threshold will apply to maternity, parental, sickness, and caregiver benefits. The government also opted to increase EI benefits to a minimum of \$400/week. Previously, the EI ceiling stood at \$573/week, while there was no floor for recipients.

Most CERB recipients who are still reliant on aid should be able to transition to these offered benefits.

Canadians should also keep their eyes on tax season in 2021. The CERB program was taxable, so recipients should be tucking away some extra cash in preparation for what is owed for this year.

## CERB recipients: Don't forget to explore alternatives

In previous articles, I'd explored how CERB recipients could [generate passive income](#) through other means. One way is through investment in equities that provide passive income. Dividend stocks stored in a TFSA can pay out tax-free income. This is worth celebrating for those who are already dreading paying tax on their CERB payments next year.

**NorthWest Healthcare Properties** is one of my favourite real estate investment trusts on the **TSX**. This company invests in high-quality healthcare properties. Shares of this REIT have climbed 6.4% month-over-month as of close on August 26. NorthWest Healthcare last paid out a monthly dividend of \$0.06667 per share. This represents a tasty 6.9% yield.

The stock last had a price-to-earnings ratio of 13 and a price-to-book value of 1.3, putting NorthWest Healthcare in attractive value territory relative to industry peers in late August. Those on the hunt for income post-CERB should consider strong dividend stocks as another source of passive income.

### CATEGORY

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### TICKERS GLOBAL

1. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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