



CRA Cash Benefits: The \$500 CRB Is Better and More Flexible than CERB

Description

The Canada Revenue Agency (CRA) has [launched](#) the new Canada Recovery Benefit (CRB) this week. The CRB is an alternative Canada Emergency Response Benefit (CERB) for those who don't have an Employment Insurance (EI) or have exhausted their EI.

The CERB was the most popular and successful benefit of the CRA to date, and Canadians had difficulty parting ways with the benefit. Change is not easy, but it is still a necessity.

Adapting to a new way of living with COVID-19, people need more flexibility in terms of work without affecting their income. Many people would be jobless or may not be able to work because of COVID-19-related issues.

Anyone can contract coronavirus. At that time, the infected person has to be quarantined for 14 days. The area is declared a containment zone, and the local shops and businesses are closed. The new recovery benefits are designed to address these issues.

The \$500 CRB is better than the \$500 CERB

The Justin Trudeau government has passed new legislation in which it increased the CRB benefit to \$500 a week, bringing it in line with the CERB. The government realized that it would at least take a year for the economy to return to normalcy. Hence, the new CRB begins from September 27 and ends on September 25, 2021. Every eligible individual can claim the CRB for up to 26 weeks, claiming a maximum of \$13,000.

The CRB is just like the CERB. It is better than the CERB in two ways.

- You can claim the CRB even if your monthly income for the benefit period exceeds \$1,000. The only condition is your annual income should not exceed \$38,000 after excluding CRB.
- You can claim CRB till September 25, 2021. In these 52 weeks, you can claim the benefit for any of the 26 weeks when you become eligible.

How to apply for CRB?

The CRA has changed the application process for the CRB to improve the glitches the CERB application had. In CERB, you could apply for four weeks in advance, anticipating that you won't earn more than \$1,000 for that period. This led to many applicants repaying their CERB later. Moreover, the CRA is also giving retroactive CERB payments for those who apply for the previous period before December 2. All this is adding to CRA's administrative burden.

The CRA has made the CRB smoother. You have to first register for the benefit on the CRA website. Then, you can submit your application every two weeks. In one application, you can't claim for more than two weeks. Moreover, you can't claim the benefit after 60 days of the benefit period.

For instance, you can claim the first CRB on October 12 for the two weeks from September 27 to October 11. If you are eligible for the benefit during this period, your last date to apply would be December 10 (60 days after the end of the benefit period).

The CRA can take back your CRB

The CRA can [take back some or all of your CRB](#) if your annual income exceeds \$38,000. It will take back \$0.5 of the benefit for every dollar you earned above \$38,000 after excluding the CRB payment. It will take back the benefit in the year-end when you file your income tax returns. This means, if you claimed \$4,000 of CRB in 2020 and your annual income excluding CRB came out to be \$40,000, the CRA can take back \$1,000 of the benefit amount.

Make the most of your CRA cash benefit

Now that the CRB is giving you the same liquidity as the CERB, the stock market might return to its growth path. You can maximize your CRA cash benefits by investing \$100 every week in a growth stock like **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). The stock is trading at a 16.6% discount from its all-time high as the company launched a U.S. IPO last week from which it has raised \$397 million.

Lightspeed has the potential to grow in the post-pandemic economy. It has adjusted its omnichannel solutions to help retailers and restaurants to operate with social distancing. The stock soared 230% from

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