



## CRA: Didn't Get CRB Payment? Here's Why

### Description

Last week, the Canada Revenue Agency (CRA) opened the application window for the Canada Recovery Benefit (CRB). Prime Minister Justin Trudeau assured that the transition from the Canada Emergency Response Benefit (CERB) to CRB would be smooth, and no Canadian would be left behind. But that was not the case, at least in the last week. There were a lot of discrepancies in the application process. Many Canadians got the COV-026 [error message](#) that stated they were ineligible for the CRB, probably leaving many Canadians behind.

### A technical glitch in the CRB application

The CRA explained that when people apply for the CRB, the system automatically runs a check across several data sources to determine the eligibility of the applicant or to detect possible fraud. But there was a glitch in the system.

Many Canadians' CRB applications were rejected, probably because they had been receiving Employment Insurance (EI) or parental benefits. So if you have already exhausted your EI, it is possible that the CRA system checks have not been updated on the status.

In one case, the CRA agent suggested that the beneficiary collect a letter regarding the status of his/her EI or parental benefit from Service Canada. This entire process could delay the CRB payments by four weeks.

The CRA did not reveal how many CRB applications it received but stated that it has approved 497,100 applications as of October 14.

### CRB eligibility issues

If you succeeded in submitting your application but still didn't get your CRB, it could be because your application is under validation. If you are a gig or contract worker, there is a higher probability of the CRA asking you to submit income proof.

Another reason could be that there was an error in filling the application. Many people were confused around [two options](#):

- "You were not working for reasons related to COVID-19," or
- "You had a 50% reduction in your average weekly income compared to the previous year due to COVID-19."

Even if you are unemployed for reasons other than COVID-19 but are unable to find work because of COVID-19, the first option applies to you. For instance, Jack is a new graduate. During his summer internships, he worked part-time and earned around \$6,000 in 2019. When he entered the job market after graduation, the pandemic struck and dried up jobs. Since then, he is actively searching for work, but no luck. Jack can apply for CRB, but he will select the first option.

Don't panic if you didn't receive your CRB. You may be eligible but got caught up in the system or application error. Let the CRA sort the issues and then apply for the benefit. Your application might get accepted.

## Create a personal benefits pool

If you have been relying on the CRB payments for your daily needs, the current situation highlights how important it is to have a personal benefits pool. Those who have saved up some amount from their \$2,000 Canada Emergency Response Benefit (CERB) are well-equipped to handle CRB delays.

The biggest beneficiary of the pandemic was the tech stocks. Companies like **Shopify** and **Lightspeed POS** saw a significant uptick in their platforms. The pandemic-induced lockdown drove all shopping traffic to e-commerce. Even **Kinaxis** saw a surge as e-commerce drove up demand for supply chain management solutions.

You can't buy all these stocks from the \$200 you saved from your CERB in Tax-Free Savings Account (TFSA). But the **iShares S&P/TSX Capped Information Technology Index ETF (TSX:XIT)** can give you exposure to the growth of all three stocks and 15 other tech stocks for less than \$50 a unit. The XIT ETF surged 43% year-to-date. If you invested \$200 from your first CERB payment in XIT, you would now have \$300 in TFSA.

In September, the stock market corrected due to uncertainty around the CRB. Many investors cashed out investments to pay their October bills. The XIT ETF fell 11.5%, with the above three tech stocks reporting the biggest dip. However, the market revived on the CRB announcements, and the XIT ETF rallied 8.7%. You can jump on to this rally and benefit from future growth.

### CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

## TICKERS GLOBAL

1. TSX:XIT (iShares S&P/TSX Capped Information Technology Index ETF)

## PARTNER-FEEDS

1. Business Insider
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