



New CERB Replacements: Which Do You Qualify For?

Description

Now that the government has issued new benefits as a replacement for CERB, it's important to fully understand each option. This way, you can get the support should you need it. However, you should also know what's going on to avoid applying to a benefit you don't qualify for. This could cause serious consequences and you could even be penalized for it.

The CERB program was initially for anybody put out of work from COVID-19. While the bulk of recipients stayed at home during the shutdown, it also covered workers whose employer went out of business or even those who had to miss work to self-quarantine.

By now, with such a strong economic recovery and the unemployment rate down to roughly 10%, the government can focus on specific programs for specific individuals. That's why these benefits to replace CERB have been introduced.

Here are four main personal benefits and who may qualify for it.

Employment Insurance (EI) the main CERB replacement

For Canadians who are still out of work and receiving CERB before, you will most likely be eligible for E.I. The government has made some temporary changes to E.I. to accommodate more Canadians during the pandemic.

Applying to E.I. will make you eligible to receive a minimum of \$500 a week, but you could receive more. You can go to the [Canadian COVID-19 website](#) to find out if you're eligible and how much you can receive.

Canada Recovery Benefit (CRB)

The CRB is the CERB replacement program for workers put out of work due to COVID-19 and who aren't eligible for E.I. However, unlike CERB, this new program is a lot more flexible for Canadians.

The program allows Canadians to receive [\\$500 a week](#) for up to 26 weeks over the course of the next year. Furthermore, it's flexible in that it still allows Canadians to earn money from their job, if their employment is only partially impacted.

This is crucial as it's impossible to anticipate how things may play out over the winter and what employment might be affected.

The one thing to watch is that you don't earn more than \$38,000 in a taxable year that you are claiming CRB. Besides that, there are no other income restrictions.

Sickness and caregiving benefit

The last program the government has introduced as a CERB replacement are two shorter-term benefits. These are the Canada Recovery Caregiving Benefit (CRCB) and the Canada Recovery Sickness Benefit (CRSB).

The CRCB is for Canadians who have to miss work to care for a family member or other dependant. If you choose to apply for this benefit, you can't be applying to any other recovery benefit during that week. Furthermore, no other household members can claim this benefit during that week, either.

The CRSB is very similar. The benefit is for Canadians who have to miss work due to coronavirus or the need to self-isolate. Canadians can apply for this benefit for a maximum of two weeks until the program ends next September.

Tips to remember for the CERB replacement programs

It's crucial to remember you can't receive a caregiving benefit and a CRB payment in the same two-week period. So make sure you don't apply to both at the same time, or it could cause problems.

Also, when totaling your income to see if you'll have to pay any of this money back to the CRA remember that it's total taxable income, which CRB is included in. So if you make \$30,000 in a taxable year, you could receive up to \$8,000 in CRB, before having to pay any back.

Another thing to keep in mind is that taxable income isn't just income from your job. If you own stocks in an unregistered account, you could have a capital gain or dividend income.

That's why it's so important any high-quality **TSX** stocks you own like a **Shopify**, you own in a Tax-Free Savings Account (TFSA). This way, not only will this income not preclude you from being eligible for CERB replacement programs like the CRB, but you'll also save thousands in taxes over the years.

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