Canada Revenue Agency: If Your $2,000 CRB Application Failed, Try Again!

Description

The Canada Revenue Agency (CRA) launched the Canada Recovery Benefit (CRB) on September 27, 2020, with the end of the Canada Emergency Response Benefit (CERB). It is a vital lifeline for Canadians who were relying on CERB and do not qualify for Employment Insurance (EI) benefits.

However, the CRA has been receiving many complaints from applicants who are unable to receive the benefits, despite being eligible for it.

Complaints about receiving CRB

Dozens of Canadians complained to *CBC News* about issues with receiving the CRB money. The news agency reported that Canadians who were certain that they qualify for the benefit applied but had their applications rejected by the CRA. The benefit should be a viable replacement for those who cannot get EI money.

The transition was supposed to be simple, with nobody getting left behind; however, many Canadians who applied for CRB before October 16 received Error Code 026. The glitches with the system are the reason for this issue, because Error Code 026 is supposed to stop people who are receiving EI or qualify for EI from receiving CRB money.

The CRA is encouraging people who received the error should consult the EI eligibility criteria. If they are confident that they do not qualify for EI and are eligible for CRB, they should apply again.

Creating your own passive income

If you are still facing issues, you should apply for the benefit. However, I would suggest focusing your efforts on creating passive income for yourself with your own money. Investing in a portfolio of dividend-paying stocks and storing it in your Tax-Free Savings Account (TFSA) can help you generate substantial passive income to offset any reliance on government aid.

A stock like **Royal Bank of Canada** (TSX:RY)(NYSE:RY) could be ideal for this purpose. RY is a banking stock that is trading for $97.35 per share at writing. At its current valuation, the stock is paying its shareholders a juicy 4.44% dividend yield.

By investing as little as $10,000 in the stock, you can receive $444 through dividends from the stock each year.

Maxing out the contribution room in your TFSA with dividend stocks like RY could help you earn a lot more by letting your money do the work.

RY is an excellent asset to consider for several reasons. The financial institution has been around for several decades. RY is also a well-capitalized stock that has terrific risk management practices that allow it to generate revenue, despite harsh economic conditions.

The bank comes with a fair share of risk due to its exposure to domestic mortgages, but it is a valuable bet for investors with a long-term investment horizon. Buying and forgetting about the stock in your TFSA can help you grow your account balance through its dividends. You can use the amount as passive income when you need extra money or reinvest it to bolster your dividend income.

Foolish takeaway

CRB might be handy as a short-term bridge to help you earn money during the pandemic. However, creating your own passive income will be better for your financial freedom in the long run. Investing in a portfolio of dividend stocks and storing them in your TFSA could be ideal to this end.

I think that RY is an exceptional stock that you can consider, so you can begin building such a portfolio.

CATEGORY

1. Coronavirus
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3. Investing

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1. NYSE:RY (Royal Bank of Canada)
2. TSX:RY (Royal Bank of Canada)

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