



Canada Revenue Agency Cash: 2 COVID-19 Payments You Might Qualify For

Description

When the first wave of the pandemic hit the country, people looked to the government to help them out of tough financial situations and replace their lost income. The government came through, then with the CERB and other emergency benefits. While these programs fulfilled their purpose, they also put a massive dent in government coffers. Plus, they encouraged a part of the population to collect benefit payments instead of rejoining the workforce.

Now that the second wave is here, the CRA is better prepared. Its new benefits, while comprehensive enough to help those who are really in need, are not as lenient as the CERB.

Still, the new programs can help fill a dangerously powerful financial void the second wave might create. They are now segmented and aimed towards different sections of the population and the workforce. Apart from the EI, the two important COVID-19 payments you need to know about are:

Canada Recovery Benefit (CRB)

The CRB, though often assumed a replacement of the CERB, is actually a bit different. It's designed for people who are part of the workforce but don't qualify for the EI. People who do freelance work or make a living doing various gigs might not be eligible for the EI. And it's a significant population, especially among millennials, 40% of whom are part of the gig economy.

You can qualify if you couldn't get any gigs or freelance work for the period you are applying for, or if you did, your weekly income was 50% or less than your average weekly income in 2019, 2020, or in the past 12-months. You also need to prove that you earned \$5,000 or more in 2019, 2020, or in the past 12-months. You can't qualify for the CRB if you are already receiving other benefits.

Canada Recovery Caregiving Benefits (CRCB)

You may qualify for the CRCB if you can't work at all or can't work more than 50% of your scheduled work hours because of one of two reasons. Either you are taking care of a child under 12 years of age

because their school or daycare facility is closed due to the pandemic or a family member who needs supervised care because their facility is closed off due to the pandemic.

You will get \$450 a week (\$500 minus 10% tax deducted [at the source](#)), just like the CRB. And you don't qualify if you are already receiving another benefit or payment. You can get this payment for a total of 26 weeks.

Save and invest

If you can save just \$50 from every week's payment from either of the programs, you will have \$1,300 in 26 weeks. This small amount can grow up to almost \$20,000 in 20 years if you invest it in a dependable stock like the **National Bank of Canada** ([TSX:NA](#)). [The bank](#) has a five-year compound annual growth rate (CAGR) of 14.6% and is currently offering a decent yield of 4.25%. If you opt for a reinvestment plan, you may be able to beef up your returns even more.

The national bank is also a Dividend Aristocrat and one of the best growing banks among the big-six. It showed amazing recovery after the pandemic, and it's one of the stocks that you can buy and forget about.

Foolish takeaway

If you need to apply for one of the emergency COVID-19 payments, make sure you meet all the eligibility criteria. And try not to get around the system. Some people might try to apply for the CRB instead of taking their EI payouts, just because the former amount might be slightly higher, but it might also prevent you from getting either.

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