



CRA Cash: Your \$2,000 CRB Benefit Can Be Taken Away

Description

The Canada Recovery Benefit (CRB) is the new federal COVID-19 relief program for displaced workers who will not qualify for Employment Insurance (EI) benefits. The Canada Revenue Agency (CRA) administers the program that provides \$500 weekly for up to 26 weeks.

However, non-eligibility to EI isn't the only ticket to access CRB. Applicants must also meet specific requirements and not err in the filing of applications. Otherwise, the CRA can [take away the \\$2,000](#) benefit.

Refusal to accept work

The CRA wants to pay CRB to people who need pandemic money the most. Thus, the tax agency suggests determining your eligibility before claiming CRB. First, you must attest that you're out of work but available for work. Also, you're actively searching for employment and did not refuse a work invitation.

You risk [losing available CRB](#) to you by 10 weeks as a penalty for refusing a reasonable job offer. Instead of 26 weeks, you could receive the benefit for up to 16 weeks only, which is costly because it amounts to \$5,000 (\$500 times 10).

Pre-conditions

When you apply for a specific eligibility period (two-weeks), make sure you're out of income or work, employment or self-employment, for reasons related to the coronavirus.

You can be employed or working provided your average weekly income compared to the previous year has been reduced by 50%. Again, the reason for income reduction or fewer hours must be COVID-related. You must have earned at least \$5,000 in 2019, 2020 or 12 months before the application date to be eligible.

Late discovery

A CRB recipient can lose the benefit entirely or repay the money in full. The CRA will demand a return or repayment if you applied for CRB then finds out you're not eligible. Payment in error could happen too. In such a case, return the inadvertent pay-out as soon as possible.

Produce extra income

Canadians with gainful employment or work may not be eligible for CRB but can earn extra income from stable dividend-payer like the **Summit Industrial** ([TSX:SMU.UN](https://www.smu.ca)). This \$2.22 billion real estate investment trust (REIT) is outperforming the **TSX** year to date (+14.72 versus -0.26%).

At the share price of \$13.30, Summit Industrial pays a respectable 4.06% dividend. Your free money of \$50,000 will earn \$2,030. In a Tax-Free Savings Account (TFSA), the income is 100% tax-free. In ten years, your capital will swell to \$74,440.32.

Modern and high-quality light industrial properties are in demand in the pandemic. Summit Industrial owns and leases out 160 of them. The winning formula is that the utilization of each property is generic – and therefore highly marketable. Tenants can use the properties as light assembly and shipping plants, storage facilities, and warehouses. This REIT therefore attracts a broad and diverse tenant base.

Summit Industrial maintains high stable occupancies (98.7% occupancy rate), lower market rent volatility, and reduced operating costs. Its net rental income (nine months ended September 30, 2020) increased by 40.8% compared with the same period in 2019.

Fulfilled promise

The federal government promised that no Canadians would be left behind during the pandemic. While CRB is most helpful, be sure to avoid mistakes that will prompt the CRA to take away your benefit.

CATEGORY

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