



Canada Revenue Agency: Here's a \$2,000 Crisis Payment the CRA Could Provide You

Description

The Canada Revenue Agency (CRA) has been administering a new pandemic benefit for over a month. If you still need income support this Christmas season and the New Year, the CRA could provide you [\\$2,000 crisis payment](#) per month through the Canada Recovery Benefit (CRB).

The CRB is the direct replacement of the Canada Emergency Response Benefit (CERB) and available for employed and self-employed individuals who will not qualify for Employment Insurance (EI). From November 22, 2020, to December 5, 2020, the period is the fifth of 13 eligibility periods.

Benefit claims are retroactive

A CRB claimant could receive a total of \$13,000, but the crisis payments stop when you reach the maximum of 26 weeks. The eligibility periods start on September 27, 2020, and ends on September 25, 2021.

Don't worry if you missed claiming the benefit in previous eligibility periods. While CRB does not renew automatically, the claims are retroactive. You can apply for any eligibility period, provided the application is not more than 60 days from the period that ended.

The application for each two-week period is separate, so you must apply again after two weeks to receive the benefit. Also, you don't have to take the 13 eligibility periods consecutively.

10% tax deduction at source

The CRA pays \$1,000 every two weeks, but unlike CERB, the tax agency deducts the 10% tax upfront in every payment. Thus, the actual amount you will receive is only \$900. Remember, however, that the 10% may not be all the tax you need to pay.

A CRB recipient could pay more (or less) in 2021. The total depends on your earnings in 2020. You

must declare or include CRB payments when you file your income tax return.

The tax agency will issue a T4A tax information slip at tax time for amounts received from CRA-administered COVID-19 benefits. Before applying for CRB, make sure you meet the [eligibility requirements](#). Otherwise, the CRA could deny your claim.

Passive-income suggestion

Canadians can earn extra income in the winter season and beyond. Among the resilient dividend stocks during this pandemic is **Emera** ([TSX:EMA](#)). This coronavirus-proof utility stock pays a respectable 4.65% dividend. Your \$20,000 idle cash will produce a windfall of \$930 that could be lasting.

Analysts also forecast the share price to climb by 24%, from \$55.03 to \$68, in the next 12 months. Would-be investors could get the best of both worlds: dividend earnings and capital appreciation. Emera's year-to-date gain thus far is 3.03%.

Emera is a \$13.72 billion energy and services company based in Halifax. In Q3 2020 (quarter ended September 30, 2020), the company reported a net income of \$84 million — 53% over the net income in Q3 2019. In the first nine months of 2020, net income was \$665 million versus \$470 million (41% increase) in the same period last year.

The company recently launched BlockEnergy Lift-Off, a system powered by a modular, highly renewable power platform with advanced reliability. Emera is preparing to scale in the evolving energy landscape. It bodes well for investors, because income would keep streaming for years.

New crisis payment

Displaced Canadian workers, including gig workers, who can't claim EI benefits, have CRB as temporary income support. Apply now if you meet the eligibility requirements.

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