



CRA \$13,000 CRB: No Canadian Left Behind in 2021!

Description

Anxiety levels were high among displaced Canadian workers when the Canada Emergency Response Benefit (CERB) was coming to its end in September 2020. On September 27, 2020, the federal government began transitioning CERB recipients to the simplified Employment Insurance (EI) system.

However, the [lifeline of millions](#) more hung in the balance because they did not qualify to receive EI benefits despite the easing of rules. But as promised by the federal government, no Canadians will be left behind. On October 12, 2020, the Canada Revenue Agency (CRA) opened the Canada Recovery Benefit (CRB) application window.

CRB is the direct replacement of CERB for those who are ineligible to receive EI. The new recovery benefit is retroactive to September 27, 2020, and available until September 25, 2021. It's certain now that everyone will still have financial support, at least until the third quarter of 2021.

New income support

Like CERB, eligible CRB recipients will effectively receive \$500 per week. The program duration is for 26 weeks or 13 eligibility periods. Since the total period is two weeks short of CERB, the maximum amount for the entire stretch is \$13,000, not \$14,000.

The CRA modified the application procedure and payment scheme. Also, the tax agency will deduct a 10% tax upfront this time. Each eligibility period is for two weeks. You can apply for two weeks at a time and re-apply again if your situation is the same after the prescribed period. There's no automatic renewal for CRB.

Upon approval, the CRA will pay you \$900 in net proceeds (\$1,000 less \$100) and every time you apply to receive the taxable benefit. Note that you don't have to take the 13 periods consecutively. Similarly, you may apply for benefits retroactively for any period up to 60 days after an eligibility period has elapsed.

Validation of application before payment

Stricter safeguards are in place to ensure that only eligible workers will receive CRB. The CRA may validate your application before payment, although the tax agency expects only a small number of applicants will undergo this process. Make sure you meet all the [eligibility requirements](#) before filing your CRB application.

Growth-oriented utility firm

While CRB extends until September 25, 2021, it would help to have an income source apart from federal aid. Many Canadians have been saving and investing in the pandemic in preparation for a long-drawn recession. Now is an excellent time to consider purchasing shares of **Capital Power** ([TSX:CPX](#)).

The utility stock is not only a generous dividend payer but also a defensive asset. Currently, Capital Power trades at \$36.08 per share and pays a hefty 5.68%. Assuming your free cash is \$13,000 or CRB equivalent, the passive income is \$738.40. That's a substantial boost to your regular income.

This \$3.8 billion company serves commercial, industrial, government, and institutional customers in Canada and the US markets. Its 28 facilities across North America have a total power generation capacity of 6,400 MW. Capital Power attracts more green energy investors because its renewable energy assets are now 71% of the overall power generation mix.

Unwavering support

The Canadian government did not fail its displaced workers when COVID-19 hit the country. The conditions are harsher in the second wave, but Canadians will continue to receive income support until September 2021. Hopefully, the pandemic's end game comes before CRB expires.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CPX (Capital Power Corporation)

PARTNER-FEEDS

1. Koyfin
2. Msn
3. Newscred
4. Quote Media
5. Sharewise
6. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Date

2025/08/21

Date Created

2021/01/13

Author

cliew

default watermark

default watermark