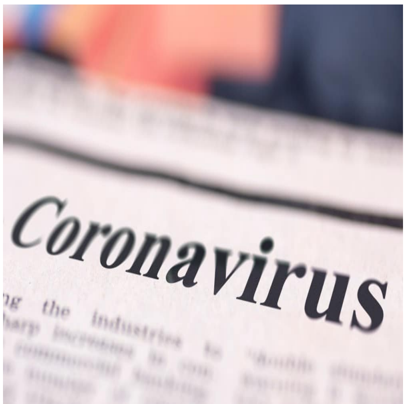

Canada Revenue Agency: 3 COVID-19 Crisis Cheques You Can Still Get

Description

In 2021, the COVID-19 pandemic appears to be winding down. Vaccines are now widely available, and many provinces are discussing re-opening. We've been here before, but this is the first time that Canada has moved to re-open with vaccines in the picture. Still, if you're out of work due to the COVID-19 pandemic, there are several forms of aid you can get from the Canada Revenue Agency. The famous CERB program has long since ended, but some cheques are still up for grabs. In this article, I'll reveal three that you can get in 2021.

Recovery benefits

Recovery benefits are three benefits that were rolled out to replace the CERB. They include the following:

- The Canada Recovery Benefit (CRB)
- The Canada Recovery Caregiving Benefit (CRCB)
- The Canada Recovery Sickness Benefit (CRSB)

All of these benefits pay $500 per week ($1,000 bi-weekly), like the CERB did. However, they have $50 in weekly taxes withheld. So, you get $900 per bi-weekly pay period. That might seem like it makes these cheques less valuable than the CERB was, but looks can be deceiving. The CERB itself was taxable, and those who received it last year will need to pay taxes on it. Those who didn't save money from their CERB cheques for taxes will have to come up with it elsewhere. So, taxes withheld on the CRB are arguably a blessing.

Enhanced childcare benefit

Another COVID-19 benefit you can still get is the enhanced childcare benefit. In 2020, the childcare benefit was increased by $300. If you've already received it, then the extra $300 bonus is done and over with. But if you still haven't filed your 2018 taxes, then you can still get the bonus this year.

Enhanced GST/HST cheques

Similar to the enhanced childcare benefit, enhanced GST/HST cheques were mailed out one time in 2020. The value was approximately $400. Also like the enhanced childcare benefit, you can still get these if you haven't filed your 2018 taxes yet. All you need to do is file your return for 2018 and if you were below the income threshold, you'll get your $400 cheque.

Foolish takeaway

As we've seen so far, there are still plenty of COVID-19 benefits for Canadians in 2021. However, the end of these programs may be coming soon. With vaccines now widely available, we've never been closer to turning the corner on COVID-19.

This is one good reason to consider investing in index funds like **iShares S&P/TSX 60 Index Fund** (TSX:XIU). COVID-19 benefits will end someday, but dividends received from ETFs like XIU could last forever.

You never know when you'll hit a financial rough patch. The COVID-19 recession merited a federal response, because it affected millions of Canadians. If you suffer a *personal* financial crisis not part of a national crisis, the government may not be there to help you.

An index fund like XIU could come in handy in such a situation. XIU pays a generous dividend — about 2.5% after you factor in management fees. That means you get back $2,500 a year on a $100,000 position. You can currently invest up to $75,000 *tax-free* in a TFSA, so you could shelter a considerable portion of those dividends from taxation. You may also realize capital gains on XIU — or any other investment you like — taking your total returns even higher. This is why investing is one of the best ways to prepare for a rainy day. Cash doesn't grow, but stocks and bonds do.

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