



COVID-19 Government Initiatives for Families and Individuals

September 13, 2021

 VINE and PARTNERS LLP
Chartered Professional Accountants

The Government of Canada and provincial governments have introduced a wide range of measures to help families and individuals deal with the economic fallout of the COVID-19 pandemic and necessary social distancing measures. This release provides the current state of the measures for families and individuals as of September 13, 2021. Some of the material is historical in nature as programs have already been ended or replaced.

Topics covered include:

1. Revisions to the EI program
2. The Canada Recovery Benefit (CRB) - updated
3. The Canada Recovery Sickness Benefit (CRSB) - updated
4. The Canada Recovery Caregiving Benefit (CRCB) - updated
5. Recovery Benefits – General
6. Canada Emergency Response Benefit (CERB)
7. Wage Boost for Essential Workers
8. Goods and Services Tax Credit (GSTC)
9. Canada Child Benefit (CCB)
10. Registered Retirement Income Fund (RRIF) Minimum Withdrawal
11. Ontario Support for Families
12. Filing and Payment Due Dates for 2019 Personal Income Tax Returns

Business and other measures are the subject of five separate releases.

[COVID-19 Government Initiatives for Business — Wage Subsidies](#)

[COVID-19 Government Initiatives for Businesses — Subsidies for Rent and Related Costs](#)

[COVID-19 Government Initiatives for Businesses — Credit Availability Program](#)

[COVID-19 Government Initiatives for Businesses — Deferrals and Other Supports](#)

[COVID-19 Government Initiatives for Individuals — Work from Home Expenses](#)

REVISIONS TO THE EI PROGRAM

EI is now available to more Canadians, including those who would not have qualified for EI in the past, adding more than 400,000 people into the program. Those receiving EI will be eligible for a taxable benefit rate of at least \$500 per week, or \$240 per week for extended parental benefits, and regular benefits will be accessible for a minimum duration of 26 weeks.

Effective August 9, the government established a minimum unemployment rate for the EI program of 13.1 per cent across Canada.

The program allows Canadians with 120 hours of insurable work or more to meet these new requirements by providing a temporary, one-time credit of 300 insurable hours for those claiming EI regular and work-sharing benefits. Canadians claiming EI special benefits – including maternity, parental, sickness, compassionate care, and family caregiver – will be provided with a temporary, one-time credit of 480 insurable hours.

The hours credit was made retroactive to March 15, 2020 for claimants who were looking to transition early from the CERB to EI maternity, parental, compassionate care, family caregiver or work-sharing benefits but could not establish their EI claim due to insufficient hours. For these claimants, the qualifying period was also be extended. The hours credit will be available for new EI claims for one year, in recognition that labour market conditions remain uncertain and will take time to stabilize.

THE CANADA RECOVERY BENEFIT (“CRB”)

The Canada Recovery Benefit (CRB) was effective from September 27, 2020 and provides \$500 per week for up to 54 weeks, to workers who are self-employed or are not eligible for EI and who still require income support. The \$500 weekly amount is reduced to \$300 for workers who have already received 42 weeks of benefits or if their first application is for a period beginning after July 17, 2021. The 27 two-week periods can take place beginning on September 27, 2020 and ending on October 23, 2021. This benefit will support Canadians whose income has dropped by at least 50%. These workers must be available and looking for work, and must accept work where it is reasonable to do so.

The benefit is available to residents in Canada who:

- are at least 15 years old and have a valid Social Insurance Number (SIN);
- have stopped working due to the COVID-19 pandemic and are available and looking for work; or are working and have had a reduction in their employment/self-employment income for reasons related to COVID-19;
- are not eligible for Employment Insurance;
- earned at least \$5,000 in 2019, 2020, or in the 12 months before the date they apply from any of the following sources:
 - employment (total or gross pay)
 - net self-employment income (after deducting expenses)
 - maternity and parental benefits from EI or similar QPIP benefits; and,
- have not quit their job voluntarily.

The benefit will allow Canadians to earn more income while on claim as well as include links to Job Bank, Canada’s national employment service, with career planning tools for those seeking employment. In addition, the government will be working with provinces and territories to share information to ensure that Canadians have access to tools and training opportunities to successfully return to the workforce.

Workers apply after every two-week period for which they are seeking income support and attest that they continue to meet the requirements. In order to continue to be eligible for the benefit the claimant needs to look for and accept work when it is reasonable to do so. The benefit is taxable.

It is important to note that each application must be made within 60 days after the end of the relevant two-week period.

To encourage claimants to return to work, they will be able to earn income from employment and/or self-employment while receiving the benefit, as long as they continue to meet the other requirements. However, to ensure that the benefit targets those who need it most, claimants will need to repay some or all of the benefit through their income tax return if their annual net income, excluding the Canada Recovery Benefit payment, is over \$38,000. In other words, claimants will need to repay \$0.50 of the benefit for each dollar of their annual net income above \$38,000 in the calendar year to a maximum of the amount of benefit they received.

This means that for a worker who received 8 weeks of the Canada Recovery Benefit in 2020 for a total of \$4000, they will have to repay all of the benefit if their net income exceeded the threshold by \$8000 (twice the benefit payment amount). In this example, the worker will have to repay the full benefit amount if their net income was greater than \$46,000 (not including the Canada Recovery Benefit) in 2020.

Full details about the CRB including a link to the online application page can be found [here](#).

THE CANADA RECOVERY SICKNESS BENEFIT (“CRSB”)

The CRSB provides \$500 per week for up to four weeks, for workers who are sick or must self-isolate for reasons related to COVID-19.

The benefit is available to:

- Residents in Canada who are at least 15 years of age and have a valid Social Insurance Number (SIN);
- Workers employed or self-employed at the time of the application; and
- Workers who earned at least \$5,000 in 2019 or in 2020, or in the 12 months before the date they apply from any of the following sources:
 - employment (total or gross pay)
 - net self-employment income (after deducting expenses)
- maternity and parental benefits from EI or similar QPIP benefits.

Workers are not required to have a medical certificate to qualify for the benefit. Workers cannot claim the CRSB and receive other paid sick leave for the same benefit period. Workers need to have missed a minimum of 50% of their scheduled work in the week for which they claim the benefit.

Workers need to apply after the one-week period in which they are seeking income support and attest that they meet the requirements.

The CRSB does not renew automatically. If your situation continues, you must apply for your second eligibility period separately. You may apply for any eligible 1-week period for **up to 60 days** after that period has ended.

The benefit is taxable.

Full details about the CRSB including a link to the online application page can be found [here](#).

THE CANADA RECOVERY CAREGIVING BENEFIT (“CRCB”)

Effective September 27, 2020 the CRCB provides \$500 per week for up to 42 weeks per household, for eligible Canadians unable to work because they must care for:

- a child under age 12 due to the closures of schools or daycares because of COVID-19.
- a family member with a disability or a dependent because their day program or care facility is closed due to COVID-19.
- a child, a family member with a disability, or a dependent who is not attending school, daycare, or other care facilities under the advice of a medical professional due to being at high-risk if they contract COVID-19.

In order to be eligible for the Canada Recovery Caregiving Benefit, individuals will need to:

- reside in Canada;
- be at least 15 years of age on the first day of the period for which they apply for the benefit;
- have a valid Social Insurance Number;
- be employed or self-employed on the day immediately preceding the period for which the application is made;
- have earned at least \$5,000 in 2019 or in 2020; or in the 12 months before the date they apply from any of the following sources:
 - employment (total or gross pay)
 - net self-employment income (after deducting expenses)
 - maternity and parental benefits from EI or similar QPIP benefits;
- have been unable to work for at least 50% of their normally scheduled work within a given week because of one of the following conditions:
 - o they must take care of a child who is under 12 years of age on the first day of the period for which the benefit is claimed:
 - because their school or daycare is closed or operates under an alternative schedule for reasons related to the COVID-19 pandemic;
 - who cannot attend school or daycare under the advice of a medical professional due to being at high risk if they contract COVID-19; or
 - because the caregiver who usually provides care is not available for reasons related to the COVID-19 pandemic; or
 - o they must provide care to a family member with a disability or a dependent:
 - because their day program or care facility is closed or operates under an alternative schedule for reasons related to COVID-19;
 - who cannot attend their day program or care facility under the advice of a medical professional due to being at high risk if they contract COVID-19; or
 - because the caregiver who usually provides care is not available for reasons related to the COVID-19 pandemic;
- not be in receipt of paid leave from an employer in respect of the same week; and
- not be in receipt of the CERB, the EI Emergency Response Benefit (ERB), the Canada Recovery Benefit, the Canada Recovery Sickness Benefit, short-term disability benefits, workers’ compensation benefits, or any EI benefits or Quebec Parental Insurance Plan (QPIP) benefits in respect of the same week.

Workers apply after the period in which they are seeking income support and must attest that they meet the requirements. Each 1-week period starts on a Sunday and ends on the following Saturday. They may start applying on the **first Monday** after the 1-week period they're applying for has ended.

Workers may apply for any eligible 1-week period for **up to 60 days** after that period has ended.

Two members residing in the same household cannot be in receipt of the benefit for the same period. The benefit is taxable.

Full details about the CRCB including a link to the online application page can be found [here](#).

RECOVERY BENEFITS – GENERAL

The CRB, CRSB, and CRCB are available for periods up to October 23, 2021, following the end of CERB payments. You apply for these benefits through the Canada Revenue Agency.

You should note that EI and the new recovery benefits are paid in arrears, while CERB payments were made in advance for each period.

Each Recovery Benefit requires that you apply within 60 days of the end of the period for which you are applying.

CANADA EMERGENCY RESPONSE BENEFIT (“CERB”)

What was it?

The Canada Emergency Response Benefit (“CERB”) was a broadly-based benefit intended to provide support to people who were without work or were otherwise not being paid because of a lack of work. The benefit was made into law with the passage of Bill C-13 on March 25 and ended on September 26, 2020.

Who was eligible?

An applicant needed to be an “eligible worker”, which meant that they must be:

- at least 15 years of age;
- resident in Canada and have a valid Social Insurance Number; and
- for 2019 or in the 12-month period preceding the day on which they make an application had a total income of at least \$5,000 from
 - o employment;
 - o self-employment;
 - o certain EI benefits (maternity and parental benefits);
 - o allowances, money or other benefits paid to the person under a provincial plan because of pregnancy or in respect of the care by the person of one or more of their new-born children or one or more children placed with them for the purpose of adoption; and
 - o dividends, other than eligible dividends.

- stopped working because of COVID-19 or are eligible for EI regular or sickness benefits
- have not voluntarily quit their job

On April 15, 2020 the government expanded eligibility to allow for more people to receive the CERB, retroactive to March 15, 2020. The changes:

- Allowed people to earn up to \$1,000 per month while collecting the CERB.
- Extended the CERB to seasonal workers who had exhausted their EI regular benefits and were unable to undertake their regular seasonal work as a result of the COVID-19 outbreak.
- Extended the CERB to workers who had recently exhausted their EI regular benefits and were unable to find a job or return to work because of COVID-19.

How much was the benefit?

The CERB was \$500 per week, paid in blocks of fixed 4-week eligibility periods, meaning that each payment was \$2,000. The first of 7 eligibility periods began on March 15, 2020 and the last ended on September 26, 2020. An individual was entitled to a maximum of 28 weeks of benefits over the CERB period (all of the 7 blocks).

WAGE BOOST FOR ESSENTIAL WORKERS

On April 15, 2020 the Government of Canada announced that it would work with provinces and territories through a new transfer to cost-share a temporary top up to the salaries of low-income essential workers that the provinces and territories have deemed essential in the fight against COVID-19.

The Government of Canada covered a portion of the cost of providing temporary financial support to these low-income workers, thereby helping to support employers in keeping their workers on staff, while also ensuring fairness.

Through this new transfer, provinces and territories were able to provide their low-income essential workers (those who earn less than \$2,500 per month), with a top up. The workers specifically mentioned in the Finance Backgrounder are:

- those on the front-line in hospitals and nursing homes,
- those ensuring the integrity of the food supply, or
- providing essential retail services to Canadians.

GOODS AND SERVICES TAX CREDIT (GSTC)

Who is eligible?

Any individual eligible for the quarterly GSTC based on their 2018 personal income tax filings will be eligible for an additional payment in May, 2020. Some others may be entitled to a one-time payment, even if their income is too high to receive quarterly payments.

How much is the benefit?

As is the case with the regular GSTC, the one-time payment will depend on family composition (whether the recipient is married or single; number of children in the household). As well, the benefit is income-tested, and is reduced when “adjusted income” exceeds \$37,789.

The mathematical formulas in the legislation will result in individuals or families with 2018 “adjusted income” less than \$37,789 receiving a single payment equal to four quarterly GSTC payments (for example, \$886 for a family of four).

For higher-income recipients, the mathematical formulas result in the reduction for “adjusted income” in excess of \$37,789 being only half as large as it would be for the usual computation, so some individuals or families would receive a payment greater than four quarterly GSTC payments.

As well, some individuals or families whose “adjusted income” was too high to qualify for any quarterly GSTC payments will be eligible for this one-time payment. For example, a family of four would be ineligible for quarterly payments if their “adjusted income” exceeded about \$55,500. However, a family of four with income under \$73,000 would still qualify for a modest one-time payment.

How do I apply?

Like the quarterly GSTC, this benefit is managed under the income tax system. No special application is required as the payment will be calculated by CRA based on income tax returns filed for 2018. CRA asks that you file your 2019 income tax and benefit return electronically before June 1, 2020 to make sure your benefits and credits are not interrupted.

Other notes

The legislation provides that this shall be paid in May, 2020, or such earlier month as may be designated by the Finance Minister. The CRA Web page currently states that payments will be issued starting on April 9, 2020.

Families not presently receiving the GSTC may wish to confirm that CRA has a record of all minor children in their custody to ensure the calculations reflect these individuals. Taxpayers registered with CRA's My Account service can view the children CRA shows under their custody online through that service.

CANADA CHILD BENEFIT (CCB)

Who is eligible?

All families eligible for monthly CCB benefits based on their 2018 personal income tax returns received an extra benefit as part of their May, 2020 benefit payment. Some other families with children under age 18 who do not receive monthly benefits were eligible for a one-time benefit in May.

How much are the benefits?

For families receiving monthly benefits, the May benefit was enhanced by \$300 per child under age 18. Families receiving no monthly benefits may have received a portion of this enhancement, depending on their income levels.

As an example, a family with two children aged 6 to 17, with an “adjusted income” of \$180,000 in 2018 would not have qualified for monthly CCB benefits. However, they would have qualified for a one-time benefit of approximately \$590 in May, 2020.

The federal government announced on May 16, 2020 that the Canada Child Benefit (“CCB”) will increase again, beginning in July 2020. For the 2020–21 benefit year, the maximum benefit will increase to \$6,765 per child under age 6, and \$5,708 per child aged 6 through 17. This increase is in addition to the one-time \$300 per child special payment that was made to parents as described above.

In its Fall Economic Statement the government announced a proposal to provide additional special benefits of up to \$300 for each child who was under the age of six at the beginning of each of January, April, July and October 2021.

How do I apply?

Like the monthly CCB, this benefit is managed under the income tax system. No special application is required as it will be based on income tax returns filed for 2018.

Other notes

Individuals or families with children under age 18 who are not presently receiving the CCB may want to confirm that all of the children in their custody are reflected on CRA’s records, to ensure the appropriate payment is computed. Taxpayers registered with CRA’s My Account service can view the children CRA shows under their custody online through that service.

Taxpayers who had not filed their 2019 tax return by September 30, 2020 may have had their CCB payments terminated and will not have them reinstated until they file that 2019 return.

REGISTERED RETIREMENT INCOME FUND (RRIF) MINIMUM WITHDRAWAL

In recognition of the substantial recent value declines in the investment markets, the minimum withdrawal from a RRIF or a money purchase pension plan for 2020 (computed as a percentage of its value on January 1, 2020) has been reduced by 25%. No similar reduction is available for defined benefit individual pension plans.

This reduction will not be considered in determining whether withdrawals from a spousal RRIF attribute back to the other spouse, or for purposes of certain benefits available to non-residents of Canada under income tax treaties.

ONTARIO SUPPORT FOR FAMILIES

The Ontario Ministry of Education provided financial support to parents to assist with the costs of educational resources during school and child care closures as a result of Ontario's declared emergency to stop the spread of COVID-19. The program is now closed to new applications.

All applications received before Monday, August 31st at midnight EST will be processed.

Between April 6 and August 31, 2020 parents had the opportunity to apply for direct one-time funding to offset the cost of buying materials to support their children's learning while they practiced self-isolation and physical distancing.

Eligible parents could receive a one-time payment, per child, of:

- \$200 for children aged 0 to 12
- \$250 for children or youth aged 0 to 21 with special needs

This funding was offered to help parents with the costs of work books, educational apps, educational subscription services, movies and other tools to support learning at home.

Parents refers to parents, guardians, and caregivers.

ONTARIO SUPPORT FOR LEARNERS

There is one-time funding for parents to help offset costs during the 2020-2021 school year.

Eligible parents or guardians will receive a one-time payment of:

- \$200 for each child up to age 12
- \$250 for each child or youth up to age 21 with special needs

You are eligible to apply if you are a resident of Ontario and a parent or guardian to a child:

- up to age 12
- up to age 21 if they have special needs

[Find out if you are eligible and how to apply.](#)

The Ontario government is expanding the Support for Learners program to students age 13 to grade 12, including students who are in secondary school that are over 18. Applications will open on January 11, 2021. They will provide details on eligibility and how to apply soon.

The deadline to apply is February 8, 2021.

FILING AND PAYMENT DUE DATES FOR 2019 PERSONAL INCOME TAX RETURNS

Filing due date for 2019 personal tax returns

The filing due date for individuals who do not have a self-employed business was initially extended to June 1, 2020. This was in part due to the fact that the filing due date for T3 Trust returns was extended to May 1, 2020 from the normal due date of March 30, 2020.

The filing due date for individuals who have a self-employed business remained at June 15, 2020.

On May 22, 2020 the federal government announced that late filing penalties would not be applied to 2019 personal tax returns that are filed after their due date as long as the return was filed by September 1, 2020. On July 27, 2020 this date was further extended to September 30, 2020.

Payment due date for 2019 taxes

The due date for the balance due on 2019 T1 returns was further extended to September 30, 2020. No interest was charged if payment was made by September 30.

On July 27, 2020 it was also announced that The CRA would also waive arrears interest on existing tax debts related to individual, corporation, and trust income tax returns from April 1, 2020, to September 30, 2020, and from April 1, 2020, to June 30, 2020, for Goods and Services Tax/Harmonized Sales Tax (GST/HST) returns. While this measure for existing tax debts did not cancel penalties and interest already assessed on a taxpayer's account prior to this period, it ensured that a taxpayer's existing tax debt did not grow through interest charges during this time.