

Module 2 - Income and Taxes

HANDOUT 2-1

Government benefits

Some sources of income are government benefits that are accessed only by filing your taxes. There are both federal and provincial benefits. This is a list of the federal benefits. To find out more about benefits specific to your province, visit the Canada Benefits website www.canadabenefits.gc.ca

Below are the government benefits available to Canadians. View the Canada Revenue Agency's (CRA) website to see more details, including eligibility. Be sure to check the Provincial/Territorial benefits available where you live.

<https://www.canada.ca/en/services/taxes/child-and-family-benefits.html>

Working Income Tax Benefit (WITB)

- Refundable tax credit for eligible working low-income individuals and families who are already in the workforce and to encourage other Canadians to enter the workforce
- Apply through your income tax and benefit return
- Can apply for advance payments

www.cra-arc.gc.ca/bnfts/wtb/menu-eng.html

GST/HST Credit

- Tax-free quarterly payment that helps individuals (over 19 years of age) and families with low or modest incomes offset all or part of the GST or HST that they pay
- CRA automatically determines your eligibility when you file your tax and benefit return
- New residents to Canada can apply using "Form RC151"
- If you have a spouse or common-law partner only one will receive the credit.

! Note: You can apply when you are 18 so you can get the first payment once turning 19.

www.cra-arc.gc.ca/bnfts/gsthst/menu-eng.html

Canada Child Benefit (CCB)

- Tax-free monthly payment for eligible families to help them with the cost of raising children (under 18)
- CCB might include the child disability benefit and any related provincial territorial program
- Amount of the benefit varies depending on number of children, their ages, and the family net income
- Information from your income tax return is used to calculate the amount; must file your tax return to receive the credit (even if you did not have income)
- Benefits are paid over a 12-month period (July-June) and recalculated every July
- CCB replaced the Universal Child Care Benefit (UCCB) July 1, 2016.

Note: For two parent families, both parents must file taxes in order to receive this credit.

(Visit web link above for Government benefits, and select [Canada child benefit](#), for more information)

Module 2 - Income and Taxes**HANDOUT 2-1, Continued****Guaranteed Income Supplement (GIS)**

- Provides a monthly non-taxable benefit to Old Age Security (OAS) pension recipients who have a low-income, are living in Canada, and are 65 years or older
- You are eligible for GIS if you are receiving OAS and your annual household income (based on your income tax return) is lower than the maximum annual threshold
- Benefit eligibility is different for sponsored and non-sponsored immigrants

<https://www.canada.ca/en/services/benefits/publicpensions.html>

Child Disability Benefit (CDB)

- Tax-free monthly benefit for families who care for a child under age 18 who is eligible for the Disability tax credit (DTC)
- Medical practitioner certifies the child has a severe and prolonged impairment in physical or mental function
- Applicant must be the primary caregiver of the child
- Applicants can send in the application form before filing their tax return.

www.cra-arc.gc.ca/cdb/

Universal Child Care Benefit (UCCB) and Canada Child Tax Benefit (CCTB) for previous years

- Effective July 1, 2016, the UCCB and the CCTB were replaced by the Canada Child Benefit (CCB), but you can still apply for previous years of UCCB and CCTB
- If you were eligible for previous years before July 1, 2016, the CRA will pay you a lump-sum payment for the Canada Child Tax Benefit and the Universal Child Care Benefit.
- The CCTB may include the:
 - o National child benefit supplement
 - o Child disability benefit and related benefits
 - o Provincial and territorial programs

<https://www.canada.ca/en/revenue-agency/services/child-family-benefits/canada-child-benefit-overview.html>