



Canada Emergency Response Benefit and Income Assistance

In 2020, the Government of Canada introduced the Canada Emergency Response Benefit (CERB) to provide financial support to Canadians who were impacted by the COVID-19 pandemic. Do you have questions about how the receipt or recovery of CERB will impact your Income Assistance or Income Tax Return?

1 I am an Income Assistance client who received the Canada Emergency Response Benefit (CERB) – Do I have to pay taxes on it or pay it back?

According to the Government of Canada's website, CERB payments are taxable and recipients of the benefit must report these amounts from their T4A tax information on their 2020 tax return.

The Government of Canada has sent out notices to recipients of CERB who may not have been eligible for the benefit and advised if the payments were returned in full by December 31, 2020 there would be no impact on their 2020 taxes.

It is very important that any residents who applied for the CERB review the eligibility requirements on the Government of Canada's website. There have been several announcements from the Government of Canada that they will be reviewing CERB payments to determine if people have applied who are not eligible. That money will have to be paid back.

2 If I have to pay back my CERB payments, how will this affect my Income Assistance or Canada Child Benefit?

Your Income Assistance will not be affected if you are required to pay back CERB. However, your tax return and/or GST benefits will still be counted as income even if the Government of Canada collects the money for repayment of CERB. The Income Assistance program offers many exemptions, including the unearned income exemption of up to \$1,200, which may be available to clients for things such as taxes, GST, and gifts.

In response to the COVID-19 pandemic, the Department of Education, Culture and Employment exempted the CERB and the Canada Emergency Student Benefit (CESB) as income from Income Assistance benefits.

3 Will Income Assistance staff be able to help me understand why or how to pay back CERB?

CERB falls under the responsibility of the Government of Canada. Income Assistance staff are not able to provide advice in respect to the repayment of CERB. Staff can only provide information on how to contact the Canada Revenue Agency (CRA) to seek clarification and/or to make payment arrangements.

If you are concerned you may be required to repay CERB, you can contact the CRA at 1-833-966-2099. More information can be found on the CRA website here: <https://www.canada.ca/en/revenue-agency/services/benefits/apply-for-cerb-with-cra/return-payment.html>



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