April 15, 2020

Dear valued clients,

The Prime Minister announced today that the eligibility requirements for Canada Emergency Response Benefit (CERB) are being loosened so more people can apply for the financial help.

Below are the changes:

* Individuals are now allowed to earn up to $1,000 per month while they are collecting the CERB.
* It has been extended to seasonal workers who have exhausted their EI regular benefits and are unable to undertake their regular seasonal work because of COVID-19,
* It has been extended to workers who have exhausted their EI regular benefits and are unable to find a job because of COVID-19.

Please see below additional information.

**Canada Emergency Response Benefit (CERB)**

* This benefit combines the previously announced "Emergency Care Benefit" and "Emergency Support Benefit".
* This taxable benefit would provide $2,000 a month for up to four months for workers who lose their income as a result of the COVID-19 pandemic.
* The CERB would cover Canadians who have lost their job, are sick, quarantined, or taking care of someone who is sick with COVID-19, as well as working parents who must stay home without pay to care for children who are sick or at home because of school and daycare closures.
* Individuals must "have ceased working for reasons related to COVID19 for at least 14 consecutive days within a 4-week period" and not receive "income from employment or self-employment".
* This benefit covers the period from March 15 to October 3.
* This benefit would apply to wage earners, as well as contract workers and self-employed individuals who would not otherwise be eligible for Employment Insurance (EI).
* This benefit covers both employed and self-employed individuals (who had more than $5,000 of total income in 2019 or in the 12-month period preceding the day of application).
* Additionally, workers who are still employed but are not receiving income because of disruptions to their work situation due to COVID-19 would also qualify for the CERB.
* Individuals must no have voluntarily quit their job.
* Individuals can apply for CERB in one of these three ways:

·         by accessing it on your CRA MyAccount secure portal;

·         by accessing it from your secure My Service Canada Account; or

·         by calling a toll-free number equipped with an automated application process.

* If you’re applying by phone, call one of these two numbers: 1-800-959-2019 or 1-800-959-2041. Be ready to provide your SIN number and postal code for an agent to verify your identity.
* Benefits should be delivered 10 days after you submit your application form. Direct deposit should be received in 3-5 days
* Individuals who applied for CERB for the first four weeks it was available will need to reapply if they want to continue receiving payments. The application process for the benefit is now open and payments are expected to be received within 10 days of application and would be paid every 4 weeks.
* Register for **CRA My Account portal** so that you can apply using this method when it becomes available:  [My Account for Individuals - Canada.ca](https://www.canada.ca/en/revenue-agency/services/e-services/e-services-individuals/account-individuals.html)
* As updates continue to be released, please refer to below link regarding the Canada Emergency Response Benefit: [Government introduces Canada Emergency Response Benefit](https://www.canada.ca/en/department-finance/news/2020/03/introduces-canada-emergency-response-benefit-to-help-workers-and-businesses.html)
* EI eligible Canadians who have lost their job can continue to apply for EI here:  <https://srv270.hrdc-drhc.gc.ca/AW/introduction?GoCTemplateCulture=en-CA>
* See also: <https://www.canada.ca/en/services/benefits/ei/cerb-application.html>
* See also: <https://www.canada.ca/en/services/benefits/ei/cerb-application/questions.html>
* If you have already applied for EI, you do not need to also apply for this benefit as your claim will be automatically moved over to the CERB and you will receive the 16-week benefit.
* Dividend payments would be not meet the criteria and as such, owner managers who receive only dividend payments would not qualify to receive CERB payments unless they receive employment income totaling at least $5,000.

Regards,

**SANDHU & COMPANY**, **Chartered Professional Accountants**

**101 - 2529 Kingsway, Vancouver, BC, V5R 5H3**

**Tel: 604-322-7576 / Fax: 604-322-7527** **/**[**www.sandhutax.com**](http://www.sandhutax.com/)