

FAQs

Purpose: This Q&A template is for use with your members to explain the Canada Emergency Student Benefit (CESB) and direct deposit for students.

Audience: students.

Direct deposit allows students to receive the Canada Emergency Student Benefit (CESB) quickly and securely. Students can register for direct deposit through financial institutions.

Q1: Who is eligible to receive CESB?

The CESB provides emergency financial relief to students and recent graduates who are unable to work, or unable to find work, due to reasons related to COVID-19. It is also available for those who are working but not making more than \$1,000 (before taxes) over the four-week period for which they are applying.

Students, including those studying abroad, are eligible for the CESB if they are:

- a Canadian citizen, including dual citizens;
- a registered Indian under the Indian Act;
- a permanent resident; or
- a protected person.

Q2: Are there age restrictions for CESB?

There are no age restrictions for who is eligible for the CESB.

Q3: What information is needed to apply for CESB?

Students will need to have a social insurance number to apply. When applying, students must attest that for COVID-19 related reasons, they are:

- unable to work; or
- seeking work but are unable to find it; or
- working but unable to make more than \$1,000 (before taxes) over the four-week period for which they are applying.

For those seeking work but are unable to find it, they must continue to actively be looking for a job to be eligible to receive the CESB. If the individual still cannot find work due to COVID-19, or cannot earn more than \$1,000, they can re-apply for each CESB eligibility period that you are eligible for. The Canada Revenue Agency (CRA) may ask you to provide information later to verify you have been looking for work during the eligibility period(s) that you have applied for.

In addition, students are not eligible for CESB if they are receiving the Canada Emergency Response Benefit (CERB) or Employment Insurance benefits for the same four-week period as their current application.

Q4: What does the \$1,000 earning limit include?

Students working full-time or part-time can earn up to \$1,000 (before taxes) during the four-week period for which they are applying for CESB. The \$1,000 includes:

- employment/self-employment income;
- taxable benefits and allowances provided by an employer;
- tips a student may earn while working;
- non-eligible dividends;
- honoraria (e.g., nominal amounts paid to emergency service volunteers); and
- royalties (e.g., paid to artists).

The \$1,000 limit does not include:

- pensions, student grants and loans, scholarships, bursaries, graduate stipends
- family, common-law, and spousal income
- graduate stipends and bursaries
- educational funding for indigenous students through the Post-Secondary Student Support Program (PSSSP)

Q5: Is there a plan for students who have not filed returns and may receive a cheque as a result?

For students that have not previously filed a tax return, before they can apply for the CESB, they must call 1-800-959-8281 to register their Social Insurance Number (SIN) with the CRA. They will not be able to apply for the CESB or set up direct deposit until they call.

Q6: When is CESB available?

The CESB will be available from May to August 2020 to students who are Canadian citizens or permanent residents, and who are enrolled in a post-secondary education program leading to a degree, diploma, or certificate; or who ended their studies no earlier than December 2019.

It will also be available to Canadian students studying abroad, as well as high school graduates who will be starting a post-secondary program in the coming months. The CESB will provide \$1,250 every four weeks to eligible students, or \$2,000 every four weeks to eligible students with disabilities, or those with children or other dependants.

Q7: How is CESB processed?

The CRA will offer the same application process that has delivered CERB payments to millions of Canadians. Starting on May 15, 2020, eligible students will be able to apply for the CESB online through their CRA My Account or by phone through CRA's automated toll-free line. To help manage the volume of applications, applicants will be asked to apply over four days depending on their month of birth, and can expect their payment in three business days from when they are deemed eligible if they are using direct deposit.

To get ready to apply, the CRA is encouraging eligible students to take three easy steps:

1. Create a profile with the CRA by calling 1-800-959-8281 (for students who have never filed a tax return)
2. Register for a CRA [My Account](#) as it is the fastest and easiest way to complete an application
3. Enroll in [Direct Deposit](#) to have CESB payments deposited directly into their bank accounts. Financial institutions across the country are also allowing Canadians to sign up for CRA Direct Deposit through their bank portals in a few easy steps.

Q8: How many students will CESB support?

The CESB could help approximately one million students who are facing a very different job market this summer due to COVID-19 pay their bills.

Q9: What about high school students working towards the equivalent of a high school diploma?

The CESB will be available between May and August 2020 for post-secondary students and graduates. For high school students and those working towards the equivalent of a high school diploma, the CESB will be available between:

May and August 2020 if they receive a high school diploma or equivalent before May 10, 2020;
June and August 2020 if they receive a high school diploma or equivalent between May 10, 2020 and June 6, 2020; and
July and August 2020 if they receive, or are to receive, a high school diploma or equivalent between June 2020 and December 2020.

Q10: How are CRA online systems performing given all of the emergency benefits?

The application process for the CERB and CEWS is going well.

As of May 10, the CRA has processed over \$30B in [Canada Emergency Response Benefits](#). The CRA then began processing applications for the Canada Emergency Wage Subsidy (CEWS) on May 4, and the first payments were issued on May 7. As of May 11, the CRA had processed and approved 123,642 CEWS applications, for a total of \$3.36 billion.

On May 15, the CRA will offer the same fast and easy application process that has delivered CERB payments to millions of Canadians. Starting on May 15, 2020, eligible students will be able to apply for the Canada Emergency Student Benefit online through My Account or by phone through CRA's automated toll-free line.

Q11: The PM announced an extension to the CEWS. Does the CRA have more details about the extension?

The Department of Finance has released a news release on [extending eligibility for the Canada Emergency Wage Subsidy](#) to August 29, 2020. The CRA does not have any further additional detail at this time.