

Canada Emergency Student Benefit

To provide financial support to eligible students and new graduates, the government has introduced the Canada Emergency Student Benefit (CESB).

The CESB is a program that provides \$1,250 per month to students who qualify, or \$2,000 per month for eligible students with dependents or disabilities.

Who is eligible?

There are generally two requirements for an individual to be eligible for the CESB:

- 1 They have to qualify as a “student” as defined under the rules, and
- 2 They would have to have lost a source of income due to the pandemic.

Definition of “student”

The CESB will be available for a student who is a Canadian citizen, a person registered with Indian status under the *Indian Act*, a permanent resident or a refugee. These individuals would also have to meet either of the following criteria:

- 1 be enrolled, at any point in time between December 1, 2019 and August 31, 2020, in a post-secondary educational program that leads to a degree, diploma or certificate; or
- 2 have graduated from secondary school in 2020, applied to enroll in a post-secondary program that will begin before February 1, 2021 and will enroll in the program if accepted.

It is important to note that an international student (e.g., a student on a study permit in Canada) would generally not be considered a “student” and would not be eligible for the CESB. However, a student that meets the eligibility criteria above can qualify if they are studying either in Canada or abroad.

Loss of income

The purpose of this measure is to help students who no longer have a source of income—whether they once had it or *would* have had it. Therefore, there are additional requirements that centre around the ability for a student to attain work. Generally, for a student to qualify, their ability to attain work would have to be negatively impacted by the pandemic.

Furthermore, the student must not have received:

- income from employment or self-employment,
- employment insurance benefits,
- the Canada Emergency Response Benefit (CERB), or
- certain amounts under a provincial plan with respect to childcare for newborn babies or children under adoption.

How much is the benefit?

This benefit would provide a maximum of



\$1,250/month

For eligible students, or



\$2,000/month

For eligible students with dependents or disabilities



How to apply

The application for the CESB opens on Friday, May 15 at 6:00 a.m. EST and will be available through CRA's [My Account](#). Those who do not yet have their My Account setup should do so prior to applying for the CESB. To ensure receipt of the payment as quickly as possible, direct deposit should also be setup through the My Account portal. This will ensure payment within 3 business days of submitting the application. Otherwise, payment will be received by cheque in the mail, which will take up to 10 business days.

The application can also be made via phone by calling CRA's automated toll-free line at either +1 800 959 2019 or +1 800 959 2041. A Social Insurance Number and postal code will be required.

A student may apply for CESB for a four-week period from May to August 2020; however, applications will not be accepted after September 30, 2020. The first eligibility period is from May 10 to June 6, 2020. The next three eligibility periods will continue in 4-week increments up to August 31, 2020.

Further details regarding the application process can be found on [CRA's website](#).

Grant Thornton LLP wants to caution that these rules are still new and continue to evolve as the government continues to re-evaluate the economic impact caused by the COVID-19 pandemic. We may still see changes to these measures—as well as new measures—as the government attempts to address the issues that have been raised by us and the tax community. Therefore, any analysis included herein, reflects our knowledge as of the date of this publication and may no longer be applicable if changes do occur and you should proceed with caution before making any decisions.

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