

Brad Brain: New COVID-19 resources for recovery

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Smart Money



Brad Brain: "If you are trying to make heads and tails out of the various economic recovery programs, and you are just not sure, please contact a Certified Financial Planner or other financial professional to assist you."

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One way or another, COVID-19 has affected all of us. For many, it has affected our livelihoods. Fortunately, there are some resources available, including some new additions to your COVID-19 economic recovery toolkit.

The newest addition is the BC Recovery Benefit. One of the NDP election promises was to provide cash to British Columbians, and now we know what that looks like.

The BC Recovery Benefit is a special one-time payment to eligible adults who live in BC. It will provide up to \$1,000 to families and up to \$500 for individuals, based on your 2019 income.

Families and single parents with 2019 income under \$125,000 will qualify for the full \$1,000 recovery benefit. A reduced benefit is available for families and single parents with 2019 income under \$175,000.

For individuals, \$500 is available for people with 2019 income up to \$62,500, and a reduced benefit is available for individuals with an income up to \$87,500.

It is important to understand that you need to apply in order to receive the BC Recovery Benefit. Applications will open on December 18, 2020. You can find out more on the government's website by [clicking here](#).

For eligible business owners, another new development is the expansion of the Canadian Emergency Business Account (CEBA). Initially CEBA was able to provide an interest free loan of up to \$40,000 to assist with operating costs.

CEBA loans have been increased to \$60,000. If you repay it on time as promised, this is an interest free loan and, even better, the government will forgive part of the loan.

If you have already received a loan you may apply to increase your financing. Now if you repay the loan before December 31, 2022, you can have up to \$20,000 in loan forgiveness. To apply contact your financial institution before March 31, 2021.

There are a number of additional COVID-19 recovery programs that are available. More information on those programs is available in my [May 7 column](#).

It would be great if I could say that all these programs were simple to understand, fairly and efficiently administered, and went to exactly the people that need them the most. But we live in an imperfect world.

Now that the various COVID-19 recovery programs have been out for a while we are starting to see the stories of the people who have been caught misusing the plans. From day one, the federal government has threatened anyone who abuses the programs with not merely having to repay the money received in error, but also with punitive fines, and even jail time.

Sometimes the misuse is intentional, but that's not what I want to talk about here.

Because sometimes it is not. There are a number of people who really thought that they qualified for various programs. They applied for support, in good conscience, and they would have been grateful for the help. But then they get the horrible surprise that they did not, in fact, qualify for the program, and now the government wants the money back.

But there is perhaps something that is even worse than people who unintentionally received money that they should not have. I worry about all the people that really do qualify for support, and fail to take advantage of the programs that are intended for them because they didn't know about them.

If you are trying to make heads and tails out of the various economic recovery programs, and you are just not sure, please contact a Certified Financial Planner or other financial professional to assist you. You don't want to apply for something that you are not supposed to, but you also don't want to overlook something that you do qualify for.

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