



Canada Revenue
Agency

Agence du revenu
du Canada

Working Income Tax Benefit

Is this pamphlet for you?

This pamphlet provides information about the working income tax benefit (WITB), a refundable tax credit intended to provide tax relief for eligible low-income individuals and families who are already in the workforce.

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Definitions

Adjusted family net income

The chart below will help you calculate your adjusted family net income. If you have an eligible spouse, your adjusted family net income is the total of line 6 from columns 1 and 2.

Adjusted family net income chart

The line references are from your and your eligible spouse's (if you have one) tax returns.

	Column 1 You	Column 2 Your eligible spouse
Net income (line 236).....	\$ _____ 1	\$ _____ 1
Tax-exempt part of the income earned on a reserve or an allowance received for being an emergency volunteer	+ \$ _____ 2	+ \$ _____ 2
Total of Universal Child Care Benefit repayment (line 213) and registered disability savings plan income repayment (included in line 232)	+ \$ _____ 3	+ \$ _____ 3
Add lines 1, 2, and 3.....	<u>\$ _____ 4</u>	<u>\$ _____ 4</u>
Total Universal Child Care Benefit (line 117) and registered disability savings plan income (line 125).....	- \$ _____ 5	- \$ _____ 5
Adjusted family net income (line 4 minus line 5) (if negative, enter "0").....	<u>\$ _____ 6</u>	<u>\$ _____ 6</u>

Eligible dependant

For working income tax benefit (WITB) purposes, an eligible dependant is a person who meets **all** of the following conditions. He or she:

- was your or your spouse's or common-law partner's child;
- was under 19 years of age and lived with you on December 31, 2010; **and**
- was not eligible for the WITB for 2010.

Eligible spouse

For WITB purposes, an eligible spouse is a person who meets **all** the following conditions. He or she:

- was your spouse or common-law partner on December 31, 2010;
- was a resident of Canada throughout 2010;
- was not enrolled as a full time student at a designated educational institution for a total of more than 13 weeks in the year, unless he or she has an eligible dependant at the end of the year;
- was not confined to a prison or similar institution for a period of 90 consecutive days or more during the year; **and**
- was not exempt from income tax in Canada for a period in the year when the person was an officer or servant of another country, such as a diplomat, or a family member or employee of such person.

Working income

Working income for a tax year includes the total for the year of an individual's or family's:

- employment income (including tips, gratuities, non-taxable income earned on a reserve, and emergency volunteer allowances);
- net self-employment income (not including losses); and
- taxable parts of scholarships and research grants.

What is the working income tax benefit (WITB)?

The working income tax benefit (WITB) is a refundable tax credit for eligible low-income individuals and families.

The maximum WITB for 2010 is \$931 for single individuals with no eligible dependants, or \$1,690 for individuals with an eligible spouse or at least one eligible dependant.

Note

These amounts vary for residents of Alberta, British Columbia, Nunavut, and Quebec. To find out the maximum WITB amounts for your province or territory of residence, see Chart 1 on page 6, or Chart 3 on page 6, if you were a resident of Quebec.

Are you eligible?

You are eligible for the WITB in 2010 if:

- you were a resident of Canada throughout 2010;
- you earned income from employment or business, or received taxable part of scholarships and research grants; and
- on December 31, 2010, you were **19 years of age or older** or you resided with your spouse or common-law partner, or your child.

In addition, your working income was more than \$3,000 and:

- if you are an individual with no eligible dependants, your net income was less than \$16,770; **or**
- if you are an individual with an eligible spouse, or at least one eligible dependant, your adjusted family net income was less than \$25,854.

Note

These amounts vary for residents of Alberta, British Columbia, Nunavut, and Quebec. To find out the applicable threshold amounts for your province or territory of residence, see Chart 1 on page 6, or Chart 3 on page 6, if you were a resident of Quebec.

You are **not** eligible for the WITB in 2010 if:

- you did **not** have an eligible dependant and you were enrolled as a full-time student at a designated educational institution for more than 13 weeks in 2010;
- you were confined to a prison or similar institution for a period of 90 consecutive days or more in 2010; or
- you do not have to pay income tax in Canada for a period in the year when you were an officer or servant of another country, such as a diplomat, or a family member or employee of such a person at any time in the year.

Example

Jennie is 23 years old and has a 3-year-old daughter. She attended university full-time in 2010. Even though she was enrolled as a full-time student at a designated educational institution for more than 13 weeks in 2010, she is still eligible for the WITB because she has an eligible dependant.

Disability supplement

If you are eligible for the WITB **and** the disability amount (for self) (see line 316 of the *General Income Tax and Benefit Guide*), you may also be able to claim a disability supplement of up to \$465 for 2010.

To be eligible for the disability supplement, your working income must be over \$1,150 and we must have an approved Form T2201, *Disability Tax Credit Certificate*, on file for you. If you have not already sent us a completed Form T2201, you must do so to receive the disability supplement.

Note

These amounts vary for residents of Alberta, British Columbia, Nunavut, and Quebec. To find out the threshold amounts for your province or territory of residence, see Chart 2 on page 6, or Chart 3 on page 6, if you were a resident of Quebec.

For more information on the disability amount, go to www.cra.gc.ca/disability or see Guide RC4064, *Medical and Disability-Related Information*.

Maximum WITB amounts

The maximum WITB amount for 2010 could differ according to your province or territory of residence, your marital status and your income. To better harmonize the WITB with provincial or territorial income support programs, a province or territory may modify the WITB calculations. Alberta, British Columbia, Nunavut, and Quebec have modified the WITB calculations. If you were a resident of Canada, excluding Quebec, see Chart 1 on the next page and Chart 2 on page 6. If you were a resident of Quebec, see Chart 3 on page 6.

Chart 1 – Basic WITB amounts for all of Canada (excluding Quebec)

If you were a resident of Canada, excluding Quebec, this chart will help you determine if you are eligible to claim the basic WITB amount. Use the single amounts if you had neither an eligible spouse nor an eligible dependant. Otherwise, use the family amounts. If you were a resident of Quebec, see Chart 3 on page 6.

Basic WITB amounts	Canada (excluding Alberta, British Columbia, Nunavut and Quebec)	Alberta	British Columbia	Nunavut
Maximum benefit (single)	\$931	\$1,016	\$1,157	\$583
Maximum benefit (family)	\$1,690	\$1,524	\$1,836	\$1,167
Working income (single)	more than \$3,000	more than \$2,760	more than \$4,750	more than \$6,000
Working income (family)	more than \$3,000	more than \$2,760	more than \$4,750	more than \$6,000
Adjusted family net income (single)	less than \$16,770	less than \$17,840	less than \$18,375	less than \$34,695
Adjusted family net income (family)	less than \$25,854	less than \$25,250	less than \$26,393	less than \$40,241

Chart 2 – WITB disability supplement amounts for all of Canada (excluding Quebec)

If you were a resident of Canada, excluding Quebec, this chart will help you determine if you are eligible to claim the WITB disability supplement amount. Use the single amounts if you had neither an eligible spouse nor an eligible dependant. Otherwise, use the family amounts. If you were a resident of Quebec, see Chart 3 on the next page.

WITB disability supplement amounts	Canada (excluding Alberta, British Columbia, Nunavut and Quebec)	Alberta	British Columbia	Nunavut
Maximum WITB disability supplement	\$465	\$465	\$518	\$292
Disability supplement working income (single and family)	more than \$1,150	more than \$910	more than \$2,295	more than \$4,800
Adjusted family net income (single)	less than \$19,867	less than \$20,939	less than \$21,423	less than \$36,654
Adjusted family net income (family)	less than \$28,954	less than \$28,351	less than \$29,440	less than \$42,187

Chart 3 – Basic WITB amounts and WITB disability supplement amounts for Quebec

If you were a resident of Quebec, this chart will help you determine if you are eligible to claim the basic WITB amount and the WITB disability supplement amount.

Basic WITB amounts	You had neither an eligible spouse nor an eligible dependant	You had an eligible spouse but did not have an eligible dependant	You did not have an eligible spouse but you had an eligible dependant	You had both an eligible spouse and an eligible dependant
Maximum benefit	\$1,560.87	\$2,412.44	\$913.68	\$941.44
Working income	more than \$2,400	more than \$3,600	more than \$2,400	more than \$3,600
Adjusted family net income	less than \$18,457.54	less than \$28,411.14	less than \$15,221.59	less than \$21,056.14
WITB disability supplement amounts	You had neither an eligible spouse nor an eligible dependant	You had an eligible spouse but did not have an eligible dependant	You did not have an eligible spouse but you had an eligible dependant	You had both an eligible spouse and an eligible dependant
Maximum WITB disability supplement	\$482.30	\$482.30	\$482.30	\$482.30
Disability supplement working income	more than \$1,200	more than \$1,200	more than \$1,200	more than \$1,200
Adjusted family net income	less than \$20,869.04	less than \$30,822.64	less than \$17,633.09	less than \$23,467.64

Example 1

Mary is 42 years old, living in Manitoba. She is separated and lives with her 12-year-old son. For the 2010 tax year, she had an adjusted family net income of \$12,000. According to Chart 1, she could be eligible for the basic WITB amount for family, up to a maximum of \$1,690, because she had an eligible dependant and her income was less than \$25,854.

Example 2

Joan is 30 years old, living in Quebec. She is a single mother and lives with her 10-year-old daughter. For the 2010 tax year, she had an adjusted family net income of \$13,500. According to Chart 3, she could be eligible for the basic WITB amount, up to a maximum of \$913.68, because she had no eligible spouse but had an eligible dependant and her income was less than \$15,221.59.

How to claim your WITB for 2010

To calculate and claim your WITB for the 2010 tax year, complete Schedule 6, *Working Income Tax Benefit*, for your province or territory. Then enter the WITB amount from Schedule 6 on line 453 of your 2010 *Income Tax and Benefit Return*.

If you had an eligible spouse, **only one of you** can claim the basic WITB.

If you had an eligible dependant, you and another person **cannot both** claim the basic WITB for that same eligible dependant.

If you had an eligible spouse, and **one of you** qualifies for the disability amount, that person **should claim** both the basic WITB and the WITB disability supplement. If you had an eligible spouse and **both** of you qualify for the disability amount, **only one of you** can claim the basic WITB. However, each of you must claim the WITB disability supplement on a separate Schedule 6.

The person who received the WITB advance payments for 2010 is the person who **must** claim the basic WITB for 2010.

If you received advance payments in 2010, enter the amount from box 10 of your RC210 slip on line 415 of Schedule 1 of your 2010 tax return. For more information on advance payments, see the next section.

Advance payments for 2011

Eligible individuals or families are able to apply for WITB advance payments for the 2011 tax year. You may also apply for the disability supplement as part of the WITB advance payments. Any WITB that you are entitled to and did not receive as advance payments will be credited to you when your 2011 tax return is assessed.

If you have an eligible spouse and both of you qualify for the disability amount, only one individual will receive the advance payments. The other individual must claim the supplement on his or her tax return.

Note

You are not eligible for WITB advance payments for 2011 if you became or ceased to be a resident of Canada in 2011.

The annual maximum amount you can receive in WITB advance payments is **50%** of the WITB that you expect to claim on your 2011 tax return.

Each year the WITB advance payment rates are indexed according to the Consumer Price Index. Once the indexed amounts for the WITB advance payments for 2011 are available, they will be updated at www.cra.gc.ca/witb.

To receive WITB advance payments for 2011, you must apply between January 1 and August 31, 2011, by completing Form RC201, *Working Income Tax Benefit Advance Payments Application for 2011*. Applications for advance payments received **after August 31, 2011**, will not be processed.

Note

If you received WITB advance payments in a prior year, you must file that year's tax return before advance payments for another year can be issued. For example, if you received advance payments for 2010, your 2010 tax return must be assessed before you can receive advance payments for 2011 or any other year.

After your application is processed, your WITB advance payment will be divided by the number of remaining payments for the year and will be paid in equal instalments. The payments are issued in **April, July and October 2011**, and **January 2012**. You have to complete Form RC201 each year to receive WITB advance payments.

When should you contact us?

Has a recipient died?

Contact us if a WITB advance payment was received and the recipient has died. Return the payment to us and indicate the date of the recipient's death.

Single individuals – If the WITB recipient dies **after** June 30, he or she is no longer eligible for WITB advance payments, but may still be eligible for the WITB refundable tax credit on his or her final tax return.

Married or common-law couples – The surviving spouse or common-law partner of a deceased WITB recipient must submit a new application before September 1, if he or she wants to continue receiving WITB advance payments. Applications received after August 31, 2011, will not be processed.

Are you moving?

If you move, be sure to let us know **immediately**. **Otherwise, your payments may stop**, whether you receive them by cheque or by direct deposit. To change your address, use our online service My Account at www.cra.gc.ca/myaccount, call **1-800-959-8281**, or send a letter to your tax centre. If you are writing, make sure to sign your letter, include your social insurance number, your new address, and the date of your move.

For more information

What if you need help?

If you need help after reading this publication, go to www.cra.gc.ca/witb or call **1-800-959-8281**.

Forms or publications

To get any forms or publications, go to www.cra.gc.ca/forms or call **1-800-959-2221**.

My Account

My Account is a secure, convenient, and time-saving way to access and manage your tax and benefit information online, seven days a week! If you are not registered with My Account but need information right away, use Quick Access to get fast, easy, and secure access to some of your information now. For more information, go to www.cra.gc.ca/myaccount or see Pamphlet RC4059, *My Account for individuals*.

TIPS (Tax Information Phone Service)

For personal and general tax information by telephone, use our automated service, TIPS, by calling **1-800-267-6999**.

Teletypewriter (TTY) users

TTY users can call **1-800-665-0354** for bilingual assistance during regular business hours.

Our service complaint process

If you are not satisfied with the **service** you have received, contact the Canada Revenue Agency (CRA) employee you have been dealing with (or call the phone number you have been given). If you still disagree with the way your concerns are being addressed, ask to discuss the matter with the employee's supervisor.

If the matter is still not resolved, you have the right to file a service complaint by completing Form RC193, *Service-Related Complaint*. If you are still not satisfied with the way the CRA has handled your complaint, you can contact the Taxpayers' Ombudsman.

For more information, go to **www.cra.gc.ca/complaints** or see Booklet RC4420, *Information on CRA-Service Complaints*.

Your opinion counts

If you have any comments or suggestions that could help us improve our publications, we would like to hear from you. Please send your comments to:



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