



## Working Income Tax Benefit (WITB)

The Working Income Tax Benefit (WITB) is a refundable tax credit intended to provide tax relief for eligible working low-income individuals and families who are already in the workforce and to encourage other Canadians to enter the workforce.

You can claim the WITB on [line 453](#) of your 2007 Income Tax and Benefit Return. However, starting in January 2008, you may be able to apply for the 2008 advance payments.

For more information about the WITB, please see the topics below:

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Application and eligibility



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### Calculation information

WITB Calculator



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### WITB advance payment dates

 April 4<sup>th</sup>, 2008  
July 4<sup>th</sup>, 2008  
October 3<sup>rd</sup>, 2008  
January 5<sup>th</sup>, 2009



## Forms and publications

- [RC201 - Working Income Tax Benefit Advance Payments Application for 2008](#)
- [RC4227 - Working Income Tax Benefit](#)

## Tax return

- [Line 453 - Working income tax benefit \(WITB\)](#)

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## WITB: Application and Eligibility

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### 1. What is the Working Income Tax Benefit?

The Working Income Tax Benefit (WITB) is a refundable tax credit intended to provide tax relief for eligible working low-income individuals and families who are already in the workforce and to encourage other Canadians to enter the workforce.

You can claim the WITB on [line 453](#) of your 2007 Income Tax and Benefit Return if your working income is over \$3,000, and you meet all the [eligibility criteria](#).

For WITB purposes, eligible dependants can be registered by completing Form [RC66, Canada Child Benefits Application](#). However, if your dependants are already registered for the goods and services tax/harmonized sales tax (GST/HST) credit, we will automatically take them into consideration when calculating your WITB amount. You can also apply online at [www.cra.gc.ca/myaccount](#) with Apply for child benefits. This is the newest addition to the My Account suite of electronic services for individuals. It provides Canadians with a direct and secure electronic self-serve option to apply for benefits and credits.

### 2. Are you eligible for the WITB?

You are eligible for the WITB in 2007 if:

- You are 19 years of age or older on December 31, 2007; **and**
- You are a resident of Canada for income tax purposes throughout 2007.

#### Exception

If you are under 19 years of age, you may still be eligible for the WITB, if you have a spouse or common-law partner or an eligible dependant on December 31, 2007.

#### You are not eligible for the WITB in 2007 if:

- You **do not** have an eligible dependant and **are** enrolled as a full-time student at a designated educational institution for more than 13 weeks in 2007;
- You are confined to a prison or similar institution for a period of more than 90 days in 2007; **or**
- You do not have to pay tax in Canada because you are an officer or servant of another country, such as a diplomat, or a family member or employee of such person.

#### Example

Jennie is 23 years old and has a 3-year-old daughter. She attended university full-time in 2007. Even though she was enrolled as a full-time student at a designated educational institution for more than 13 weeks in 2007, she is still eligible for WITB since she has an eligible dependant.

### 3. What is the disability supplement?

If you are eligible for the WITB **and** the [disability amount](#), you may also be eligible to claim an annual disability supplement of up to \$250 for 2007.

To be eligible for the disability supplement, your working income must be over \$1,750 and we must have an approved Form [T2201, Disability Tax Credit Certificate](#) on file. If you have not already sent us a completed Form T2201, you must do so to receive the disability supplement.

### 4. What are the WITB provincial reconfigurations?

Some provinces/territories have exercised the option to reconfigure the WITB calculation based on specific social and economic realities.

#### Note:

We will determine the amount of WITB to pay based on the eligible individual's province or territory of residence at the end of the year.

### 5. How can you claim the WITB?

To calculate your WITB refundable tax credit, complete [Schedule 6, Working Income Tax Benefit](#) for your province or territory specific Income Tax and Benefit Return. The WITB amount calculated on Schedule 6 must then be claimed on [line 453](#) of your return.

### 6. What are WITB advance payments?

Starting in 2008, eligible individuals and families will have the option to apply for WITB advance payments. The WITB advance payments correspond to a maximum of **50%** of the WITB refundable tax credit (including the disability supplement, if applicable) that you expect to claim on your 2008 Income Tax and Benefit Return. Any WITB that you are entitled to and did not receive as advance payments will be paid to you when your 2008 Income Tax and Benefit Return is assessed.

The annual maximum amount you can receive in WITB advance payments is:

- \$254.75 for single individuals without eligible dependant(s); **or**
- \$509.50 for families (individuals with an eligible spouse, common-law partner or eligible dependant).

The annual maximum WITB advance disability supplement you can receive is \$127.50 for an individual. If more than one individual per household is entitled to the disability supplement, we will only pay one individual the supplement in advance payments. The other individual will claim the supplement on his/her Income Tax and Benefit Return by completing Schedule 6.

#### Note:

The rates and eligibility rules may vary in some [provinces and territories](#).

### 7. When should you apply for the WITB advance payments?

To receive the WITB advance payments for 2008, you need to apply between January 1 and August 31, 2008 by completing Form [RC201, Working Income Tax Benefit Advance Payments Application for 2008](#). **Applications for advance payments received after August 31, 2008 will not be processed.**

### 8. When will you receive your advance payments?

After your application is processed, your WITB advance payments will be divided by the number of payment dates left in the year and will be paid in equal instalments on the remaining dates. The payment dates are **April 4, July 4, October 3, 2008 and January 5, 2009**. You will need to file your Income Tax and Benefit Return for every year you received WITB advance payments and to complete an RC201 application form every year in order to receive the WITB advance payments.

#### Example

In March 2008, Cathy and Peter applied for the WITB advance payments. Their application was processed on April 10, 2008 and their expected WITB advance payment for the year is \$360. Since the first payment date (April 4, 2008) for the year has passed, Cathy and Peter will receive three equal instalments of \$120 (July 4 and October 3, 2008 and January 5, 2009).

### 9. What to do when the WITB recipient has died?

You should [contact us](#) if a WITB advance payment was received and the recipient has died. Please return the payment to us and provide us with the date of 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/her final Income Tax and Benefit 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<sup>st</sup> if he or she wishes to continue receiving WITB advance payments for himself/herself.

**10. What is an eligible dependant?**

For WITB purposes, you have an eligible dependant if you have a child who, at the end of 2007:

- lives with you;
- is under 19 years of age; and
- is not [eligible](#) for the WITB.

**11. What is an eligible spouse?**

For WITB purposes, an eligible spouse at the end of 2007 is a person who meets all of the following conditions:

- is your cohabiting spouse or common-law partner on December 31, 2007;
- is a resident of Canada for income tax purposes in 2007;
- is 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/she has an eligible dependant at the end of the year;
- is not confined to a prison or similar institution for a period of 90 days or more during the year; and
- is not an officer or servant of another country, such as a diplomat, or a family member or employee of such person.

**12. What is the family net income?**

Family net income is an individual's net income added to the net income of their spouse or common-law partner, minus any amount reported for Universal Child Care Benefit (UCCB) ([line 117](#) of the Income Tax and Benefit Return). Net income is the amount on [line 236](#) of the Income Tax and Benefit Return.

**13. What is the working income?**

Working income for a tax year is the total amount of an individual's or family's income for the year from employment and business (excluding losses).

## Line 453 - Working income tax benefit (WITB)

The WITB is for low-income individuals and families who have earned income from employment or business. To find out if you qualify, see Schedule 6 in the forms book.

The WITB consists of a basic amount and a disability supplement. Complete Step 2 of Schedule 6 to calculate your basic WITB and, if applicable, complete Step 3 to calculate your WITB disability supplement.

Enter on line 453 the amount from line 42 of Schedule 6 and attach a copy of this schedule to your paper return.

**Eligible spouse** – For the purpose of the WITB, an eligible spouse is a person who meets **all** of the following conditions:

- was your [spouse or common-law partner](#) on December 31, 2007;
- was a resident of Canada throughout 2007;
- 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/she had an eligible dependant at the end of the year; **and**
- was not confined to a prison or similar institution for a period of 90 days or more during the year.

**Eligible dependant** – For the purpose of the WITB, an eligible dependant is a person who meets **all** of the following conditions:

- was your or your spouse or common-law partner's child;
- was under 19 years of age and lived with you on December 31, 2007; **and**
- was not eligible for the WITB for 2007.

For more details, including information on advance payments, see [Working Income Tax Benefit](#).

### Tax Tips

If you had an eligible spouse on December 31, 2007, the one with the **higher** working income **should** claim the basic WITB.

If you had an eligible spouse on December 31, 2007, and one of you qualified for the disability amount **and** has sufficient working income, that person **should** claim both the basic WITB and the WITB disability supplement regardless of who has the higher working income.

If you had an eligible spouse on December 31, 2007, and **both** of you qualified for the disability amount **and** have sufficient working income, the one with the **higher** working income **should** claim the basic WITB. However, **each** of you must claim the WITB disability supplement on a separate Schedule 6.

## Forms and publications

- [General Income Tax and Benefit Guide](#)
- [Pamphlet RC4227, Working Income Tax Benefit](#)
- [Schedule 6, Working Income Tax Benefit \(Common to all, except Quebec, British Columbia and Nunavut\)](#)
- [Schedule 6, Working Income Tax Benefit - Quebec](#)
- [Schedule 6, Working Income Tax Benefit - British Columbia](#)
- [Schedule 6, Working Income Tax Benefit - Nunavut](#)

## Need assistance?



If you are unable to find the information you were looking for about this specific topic, please select the Contact us button.

Contact us

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