

HOUSING PROVIDER BULLETIN

Federal Working Income Tax Benefit (WITB) Payments Are Excluded from Income

The WITB is a new refundable federal tax credit for low-income individuals and families who have earnings from employment or business. The WITB consists of a basic amount and a disability supplement. It can be claimed for the 2007 and subsequent taxation years.

The WITB can be claimed on the Income Tax and Benefit Return. Eligible claimants will receive their WITB payment in their tax refund. The Canada Revenue Agency has also established an advance payment system that allows people to apply to receive 50% of the WITB that they expect to claim for the year. Advance payments will be made quarterly according to the same schedule as the GST credit.

Further information about the WITB, including instructions on how to claim the WITB and apply for advance payments, can be found at:

<http://www.cra-arc.gc.ca/benefits/witb/menu-e.html>

As the WITB is being paid under the Income Tax Act, it is an excluded income and must not be considered for the purpose of calculating rent-geared-to-income (RGI).

Please contact your Program Co-ordinator if you have questions.