

## **Universal Child Care Benefit (UCCB)**

### **1. What is the Universal Child Care Benefit (UCCB)?**

The Universal Child Care Benefit is a new initiative designed to assist Canadian families, as they seek to balance work and family life, by supporting their child care choices through direct financial support. The UCCB payment is to be paid on behalf of children under the age of 6 years in installments of \$100 per month per child.

### **2. Who will receive the Universal Child Care Benefit?**

To receive the UCCB, **all** the following conditions must be met.

a) You must live with the child, and the child must be under the age of 6.

b) You must be the person who is primarily responsible for the care and upbringing of the child.

This means you are responsible for such things as supervising the child's daily activities and needs, making

sure the child's medical needs are met, and arranging for child care when necessary. If there is a female parent

who lives with the child, we usually consider her to be this person. However, it could be the father, a grandparent, or a guardian.

c) You must be a resident of Canada.

We consider you to be a resident of Canada when you establish sufficient residential ties in Canada.

d) You or your **spouse or common-law partner** must be:

- Canadian citizen;
- "permanent resident" (as defined in the Immigration and Refugee Protection Act);
- "protected person" (as defined in the Immigration and Refugee Protection Act); or
- "temporary resident" (as defined in the Immigration and Refugee Protection Act) who has lived in Canada throughout the previous 18 months, and who has a valid permit in the 19th month (other than one that states "does not confer status"). If this is your situation, you should not apply before the 19th month.

### **3. How do I apply for the Universal Child Care Benefit payments?**

The enrolment for the Universal Child Care Benefit will be processed through the **Canada Child Tax Benefit application**. If you already receive the CCTB, you will not be required to re-apply in order to receive the Universal Child Care Benefit (UCCB). You may download the **Canada Child Tax Benefit application** form or obtain a copy by contacting the Canada Revenue Agency at 1-800-959-2221. You may also order a copy of the form through our **online ordering service**.

### **4. Why is the Government issuing the Universal Child Care Benefit?**

The government of Canada recognizes that no two Canadian families are exactly alike as each has its own circumstances and needs. The government is proposing to support Canadian families in their childcare decisions by introducing a new monthly benefit directed specifically to families with pre-school aged children.

### **5. When are the Universal Child Care Benefit payments being sent?**

The Universal Child Care Benefit payments will be made on or about the 20th of each month starting July 2006.

### **6. How much will the Universal Child Care Benefit payments be and how will they be paid?**

The Universal Child Care Benefit will be a monthly payment of \$100 per eligible child under the age of 6. The initial July 2006 payment will be issued by cheque. In the future, recipients will have the option to ask that their Universal Child Care Benefit payments be deposited directly into their financial institution account.

### **7. Can I access my Universal Child Care Benefit payment information through My Account?**

You will be able to view your Universal Child Care Benefit payment details through CRA's secure online service **My Account** on the day that the payment is issued. You need to **register for an epass** to access My Account.

### **8. Can I refuse the Universal Child Care Benefit payments?**

Yes. If you do not want to receive the Universal Child Care Benefit, please call the Canada Revenue Agency at 1-800-387-1193.

### **9. Can I get my Universal Child Care Benefits payments direct deposited?**

Yes. Universal Child Care Benefits (UCCB) recipients will receive a direct deposit enrolment form with their July 2006 payment. Complete the direct deposit enrolment form, and return it in the postage paid return envelope provided.

**10. If I already receive my T1 refunds, my GST/HST credit or my Canada Child Tax Benefit payments by direct deposit, can I ask that my Universal Child Care Benefit payments be deposited into the same bank account?**

Yes. If the Canada Revenue Agency (CRA) is already directly depositing your T1 refunds, your GST/HST credit or your Canada Child Tax Benefit, please contact the CRA at 1 800 387-1193 to request that your Universal Child Care Benefit be deposited directly in the same bank account.

**11. Will the Universal Child Care Benefit payments have an impact on the amount of social assistance I am receiving from the province/territory?**

Each province and territory establishes their own rules regarding the claw back of social assistance payments. You will need to contact the applicable provincial/territorial ministry to determine if or how the Universal Child Care Benefit will affect your social assistance payments.

**12. Is the Universal Child Care Benefit a taxable benefit?**

The Universal Child Care Benefit will be taxable income and reportable as income.

**13. Which spouse, if applicable, will need to report the Universal Child Care Benefit payments on his or her tax return?**

In the case of spouses and common-law partners, the Universal Child Care Benefit payments will be taxable in the hands of the spouse or common-law partner with the lower net income regardless of which spouse or common-law partner received the payments.

**14. How is the Canada Revenue Agency going to inform me of the amount of Universal Child Care Benefit I need to report on my income tax return?**

The Canada Revenue Agency issues the Universal Child Care Benefit (UCCB) payments on behalf of Human Resources and Social Development Canada and will provide UCCB recipients with an RC62, *Statement of Universal Child Care Benefit*, information slip.

**15. When will the Canada Revenue Agency provide the RC62, Statement of Universal Child Care Benefit, information slip?**

Every year, the Canada Revenue Agency will issue the RC62, *Statement of Universal Child Care Benefit*, information slip to benefit recipients early in February.

**16. Do I have to file an income tax return to receive the Universal Child Care Benefit?**

No, you are not required to file an income tax return to receive the Universal Child Care Benefit (UCCB). You only need to file an [application for the Canada Child Tax Benefit](#). However, to receive the Canada Child Tax Benefit, you have to file an income tax return.

**17. Will the amount of reported Universal Child Care Benefit be taken into consideration when calculating my other benefits such as the Canada Child Tax Benefit or the Goods and Services Tax/Harmonized Sales Tax (GST/HST) credit?**

The Universal Child Care Benefit will be excluded as income when calculating the [Canada Child Tax Benefit](#) and the [Goods and Services Tax/Harmonized Sales Tax \(GST/HST\) credit](#) in order to maximize the benefits payable to low and modest income earners.

**18. Can taxes be withheld at source on my Universal Child Care Benefits?**

Income tax will not be withheld from Universal Child Care Benefit (UCCB) payments. You may wish to increase the amount of tax withheld at source from your other sources of income to compensate. To find out how, please contact the Canada Revenue Agency at 1-800-959-8281.

**19. What happens if I have an outstanding debt with the Canada Revenue Agency or with another federal department? Will my Universal Child Care Benefit payments be reduced to pay off my debt?**

No. The Universal Child Care Benefit (UCCB) payments will not be applied to debts (other than to an outstanding UCCB debt) or transferred to other federal departments.

**20. Can I apply my Universal Child Care Benefit payments to my current outstanding Canada Revenue Agency debt?**

No. The Universal Child Care Benefit (UCCB) is intended to help Canadian families meet their child care needs and, therefore, the UCCB will be protected from being applied to outstanding tax debts.

**21. If I move, will my Universal Child Care Benefit be sent to my new address?**

If you have a new address, you need to inform the Canada Revenue Agency as soon as possible to ensure that your Universal Child Care Benefit payments are not interrupted.

**22. What happens if I do not receive my Universal Child Care Benefit payment on July 20, 2006?**

If you do not receive your Universal Child Care Benefit payment on July 20, 2006, please allow **10 working days** for postal delivery. If you have not received your payment on **August 4, 2006**, please contact the Canada Revenue Agency at 1-800-387-1193.

**23. Why are my Universal Child Care Benefit payments showing the Human Resources and Social Development Canada logo and the Canada Revenue Agency is answering recipients' enquiries?**

Human Resources and Social Development Canada and the Canada Revenue Agency have partnered together to deliver the Universal Child Care Benefit on behalf of the Government of Canada.

**Information from:**

<http://www.cra-arc.gc.ca/benefits/uccb/>

**For more information please visit:**

<http://www.universalchildcare.ca/en/home.shtml>