

# FACT SHEET: The Transition Child Benefit

To make sure that families on Social Assistance are not negatively affected by the implementation of the Ontario Child Benefit, the provincial government has created the Transition Child Benefit.

## **Background:**

In July 2008, the provincial government will launch the Ontario Child Benefit (OCB). This will be a monthly payment to eligible low-income families who have dependent children under 18. Parents who get social assistance as well as those who are employed are eligible for the OCB.

At the same time, social assistance rates are being changed to take into account the payment of the OCB and the National Child Benefit Supplement (NCBS). More information about these changes is at: [www.incomesecurity.org/documents/RateRestructuringandChildBenefits-Nov2007\\_001.pdf](http://www.incomesecurity.org/documents/RateRestructuringandChildBenefits-Nov2007_001.pdf)

But some parents who get social assistance will not get the maximum OCB and NCBS or may not be eligible for those benefits at all. For them, the changes to social assistance rates could mean a drop in monthly income.

The **Transition Child Benefit** is intended to make sure that the incomes of these families will not drop.

## ***Who is eligible for the Transition Child Benefit?***

Parents on social assistance who do not get the maximum OCB and maximum National Child Benefit Supplement (NCBS) will be eligible for the Transition Child Benefit. This includes parents who:

- have not filed an income tax return for the previous year;
- have a newborn child;
- are in the middle of the application process for the Canada Child Tax Benefit (CCTB) and the National Child Benefit Supplement (NCBS);
- are not citizens of Canada, permanent residents, protected persons, or temporary residents (as defined under the Immigration Act);
- have income from the previous year that is too high, but have a sudden decrease in income in the present year; and/or,
- have only recently moved to Ontario.

The **Transition Child Benefit** (TCB) will help these parents by making up the difference between current social assistance rates and the new rates that start in July 2008.

## ***How much will I get from the Transition Child Benefit?***

Parents who get **no OCB and no NCBS** will receive the maximum amount of the Transition Child Benefit.

For parents who get OW, the maximum TCB amount will be \$172 / child / month.

For parents who get ODSP, the maximum TCB amount will be \$148 / child / month.

Parents who get **some OCB and NCBS** will get less than the maximum Transition Child Benefit. The amount they get will depend on how many dependent children they have and the amount of their monthly OCB and NCBS.

For parents who get OW, the partial TCB amount will be:

\$172 X the number of children under 18;  
Less: the total OCB that the parent receives;  
Less: the total NCBS that the parent receives reduced by \$43.75 for the first child, \$41.99 for the second child, and \$41.41 for each additional child

For parents who get ODSP, the partial TCB amount will be:

\$148 X the number of children under 18;  
Less: the total OCB that the parent receives;  
Less: the total NCBS that the parent receives reduced by \$43.75 for the first child, \$41.99 for the second child, and \$41.41 for each additional child

Talk to your worker about how this calculation applies in your own situation.

## ***How long will I get the Transition Child Benefit?***

If you do not get the maximum OCB or NCBS when rates change in July, your file will be reviewed and you should automatically get the Transition Child Benefit. Be sure to talk to your worker to make sure that this happens. And remember that you will be expected to make reasonable efforts to get the OCB and the NCBS.

If you are not eligible for the OCB and NCBS or you are receiving less than the maximum OCB or NCBS, you will continue to receive the Transition Child Benefit until you become eligible for the full OCB/NCBS or until you go off of assistance.

If you could be eligible for the OCB and NCBS, but have not filed your taxes and made an application for the NCBS, the Transition Child Benefit may be temporary and you will be expected to make reasonable efforts to get the OCB and the NCBS.

You will have four months from the time you first receive the Transition Child Benefit to file your tax returns, apply for the NCBS, and take any other necessary steps to get the OCB and NCBS. After the four months, the Transition Child Benefit can be continued, but only if OW or ODSP are satisfied that you are making reasonable efforts to get the OCB and NCBS. Parents who don't make reasonable efforts are at risk of having the Transition Child Benefit cancelled after the four month period.

We expect that the amount of the Transition Child Benefit will be recalculated every year as the Ontario Child Benefit gradually increases until 2011.

***What if I get the Transition Child Benefit while I'm waiting for my NCBS application to be processed? Will I have to pay the TCB back?***

Yes. If you receive a retroactive OCB payment that covers the same period of time for which you received the TCB, the TCB will be repayable.

The OW or ODSP cheque that you get after you receive the retroactive payment will automatically be reduced in order to make up the difference.

Your cheque will be reduced by either the total TCB paid for that period of time, or the amount of the retroactive OCB payment, whichever is smaller.

If the amount of the TCB that has to be repaid is more than what your cheque would normally be in a month, you will receive no less than \$2.50. Receiving this small amount will mean that you will not be cut off your health benefits for the period of the repayment.

***What if I have joint custody of my children?***

The government has not yet said how the Transition Child Benefit is going to be paid to parents with joint custody.

ISAC is monitoring this situation and will provide more information as it becomes available.

***Who is not eligible for the TCB?***

The government has said that parents in the following situations are not eligible:

- people receiving OW Temporary Care Assistance on behalf of a child;
- people who get assistance from OW for the child of their own dependent child;
- people who get the OW Extended Employment Health Benefit, the OW Extended Health Benefits, or the ODSP Transition Health Benefit;
- people who live in interval and transition homes who are entitled only to a personal needs allowance;
- people who live in emergency hostels;
- anyone who gets the full OCB.

## ***How do I get the Transition Child Benefit? Do I have to apply?***

You do not have to apply. The government has said that the files of all parents will be reviewed for eligibility for the TCB and, if you are eligible, the TCB will automatically be added to your regular OW or ODSP cheque.

But parents who are *not* eligible for any or all of the OCB should talk to their worker to be sure that the TCB gets paid in July.

## ***What should I do now?***

### **1) Make sure that your children are registered for the Canada Child Tax Benefit.**

Because the OCB is paid through the federal government's CCTB system, you must have registered your children for the Canada Child Tax Benefit.

Information about how to apply is available either by calling 1-800-959-2221 or by downloading the application form from the internet at:

[www.cra-arc.gc.ca/benefits/cctb](http://www.cra-arc.gc.ca/benefits/cctb).

### **2) Make sure you file your 2007 taxes.**

You must have filed your 2007 taxes to be eligible for the OCB.

If you haven't already filed your taxes, you can download a tax return from the Revenue Canada website at [www.cra-arc.gc.ca/forms](http://www.cra-arc.gc.ca/forms) or have one sent to you by calling 1-800-959-8281.

### **3) If you are in doubt about any of this information and how it will affect you, talk to your worker.**

This fact sheet provides only general information.

Your worker will be able to tell you in more detail about how these changes will affect you.

### **4) If you want more information about the Ontario Child Benefit and how the Social Assistance rates are being restructured, go to ISAC's website at:**

[www.incomesecurity.org/campaigns/OntarioChildBenefit2008.html](http://www.incomesecurity.org/campaigns/OntarioChildBenefit2008.html).