

Benefits 101

Glossary

Benefits: direct payments that are made to you to help with living expenses. They are paid usually several times throughout the year. Examples include the Canada child benefit and Canada workers benefit.

Non-refundable tax credits: tax credits that reduce or cancel the amount of tax that you have to pay. Your tax bill can go down to zero but you do not get any money back if your credits add up to more than the tax that you owe. Examples include the Canada caregiver credit, disability tax credit and medical expense tax credit.

Refundable tax credits: tax credits that will be paid to you if you are eligible, even if you owe no tax. Your tax bill can be reduced to below zero and any excess credits below zero will be paid to you as a refund. Examples include the GST/HST credit, Climate action incentive, and refundable medical expense supplement.