

REVENU

QUÉBEC



**FAIR.
FOR ALL.**



**THE WORK PREMIUM,
ADAPTED WORK PREMIUM
AND SUPPLEMENT TO
THE WORK PREMIUM**

revenuquebec.ca

BY WORKING, YOU PLAY AN ACTIVE ROLE IN QUÉBEC'S ECONOMY.

Depending on your income, you may be entitled to tax credits designed to encourage you to stay in the workforce. This publication explains those tax credits.

CONTENTS

Introduction	1
Eligibility requirements	2
The work premium	4
What is the work premium?	4
Who is entitled to the work premium?	4
How much is the work premium?	5
Can the work premium be paid in advance?	6
How to apply for advance payments	7
The adapted work premium	8
What is the adapted work premium?	8
Who is entitled to the adapted work premium?	9
How much is the adapted work premium?	10
Can the adapted work premium be paid in advance?	11
How to apply for advance payments	12
The supplement to the work premium	13
What is the supplement to the work premium?	13
Who is entitled to the supplement to the work premium?	13
How much is the supplement to the work premium?	14
Can the supplement to the work premium be paid in advance?	14
How to apply for advance payments	15

This publication is provided for information purposes only. It does not constitute a legal interpretation of the *Taxation Act* or any other legislation.

ISBN 978-2-550-82926-3 (Print version)

ISBN 978-2-550-82927-0 (PDF)

Legal deposit – Bibliothèque et Archives nationales du Québec, 2018

Legal deposit – Library and Archives Canada, 2018

INTRODUCTION

The work premium, adapted work premium and supplement to the work premium are tax credits that encourage you to remain in the labour market or enter it.

Do you earn employment income or income from the operation of a business? Have you received a research grant or do you receive Wage Earner Protection Program (WEPP) payments? Is your or your spouse's capacity for employment severely limited? If so, you may be entitled to the work premium or the adapted work premium.

You may also be entitled to the supplement to the work premium if you ceased to be entitled to last-resort financial assistance because you earned work income.



ELIGIBILITY REQUIREMENTS

You may be eligible for one or more of the tax credits if you meet **all** the following requirements:

- You were resident in Québec on December 31 of the year for which you are claiming the credit(s) and you were a Canadian citizen, an Indian, a permanent resident or a person on whom Canada has conferred refugee protection.
- You were 18 or over on December 31 of the year for which you are claiming the credit(s). You can also be eligible even if you were under 18, provided:
 - you had a spouse on December 31;
 - you were the parent of a child who lived with you; or
 - you were recognized as an emancipated minor by a competent authority such as a court.
- You or your spouse on December 31 reported employment income, a research grant, Wage Earner Protection Program (WEPP) payments or income from a business that you or your spouse carried on alone or as a partner actively engaged in the business.
- You did not transfer an amount as a child 18 or over enrolled in post-secondary studies to your mother or father in your income tax return for the year for which you are claiming the credit(s).
- No one received the family allowance from Retraite Québec with regard to you, unless you turned 18 before December 1 of the year for which you are claiming the credit(s).
- No one designated you as a dependent child for purposes of the work premium or the adapted work premium in his or her income tax return for the year for which you are claiming the credit(s).



- You were not confined to a prison or similar institution on December 31 of the year for which you are claiming the credit(s), or, if you were confined to a prison or similar institution at any time in the year, your period of confinement did not last more than 183 days.
- You **were not** a full-time student (if you were a full-time student, you are not entitled to any of the tax credits respecting the work premium, **unless**, on December 31 of the year for which you are claiming the credit(s), you were the parent of a child who lived with you).

If you meet all of these requirements, read the information on the following pages to check whether you are entitled to any of the tax credits.



THE WORK PREMIUM

What is the work premium?

The work premium is a refundable tax credit that you can claim in your income tax return (Schedule P). A refundable tax credit is an amount that may be granted to you even if you do not have to pay income tax. The work premium is determined on the basis of your income and your family situation.

If you meet certain conditions, you may be eligible to receive advance payments of the work premium (see page 6).

Who is entitled to the work premium?

You may be entitled to the work premium for a given year if you meet the eligibility requirements listed on pages 2 and 3 and the following conditions:

- Your work income for the year is over \$2,400 if you live alone or are a single parent; or, if you have a spouse (regardless of whether you have any children), your combined work income for the year is over \$3,600.
- Your family income is less than the maximum family income that corresponds to your situation in the table below.

Situation	Maximum family income*
Person living alone	\$18,257.56
Couple without children	\$28,346.64
Single parent**	\$35,096.00
Couple with at least one child**	\$48,246.00

* The amounts listed are for 2018. They are indexed annually.

** If you designate a dependent child, he or she must be under 18. If the child is 18 or over, he or she must be pursuing vocational training at the secondary level or post-secondary studies.

How much is the work premium?

The work premium is calculated on the basis of your work income, family income and family situation.

The maximum amounts are as follows:

Situation	Maximum annual work premium*
Person living alone	\$786.36
Couple without children	\$1,199.06
Single parent**	\$2,452.20
Couple with at least one child**	\$3,189.00

* The amounts listed are for 2018. They are indexed annually.

** If you designate a dependent child, he or she must be under 18. If the child is 18 or over, he or she must be pursuing vocational training at the secondary level or post-secondary studies.

Beyond certain income thresholds, the premium decreases until it reaches zero.

Family income

Your family income is the total net income of your household (that is, the amount on line 275 of your income tax return plus, if applicable, the amount on line 275 of your spouse's return).

For the work premium, your spouse must be resident in Québec on December 31 of the year for which you are claiming the credit.



Can the work premium be paid in advance?

Yes. Instead of waiting until you file your income tax return to claim the work premium, you can apply for advance payments.

Advance payments correspond to 50% of the work premium to which you expect to be entitled for a given year if you designate a dependent child, or 75% if you do not designate a dependent child.

To receive advance payments of the work premium during a given year, you must file an application with us. However, you must meet **all** of the following conditions:

- You are resident in Québec when you file the application and you are a Canadian citizen, an Indian, a permanent resident or a person on whom Canada has conferred refugee protection.
- You are active in the labour market when you file the application.
- You **are not** a full-time student when you file the application (if you are a full-time student, you are not entitled to the work premium, **unless** you expect that on December 31 of the year you file the application, you will be the mother or father of a child who lives with you).
- You are 18 or over on the first day of the month during which you file the application or, if you are under 18, no one may receive the family allowance with regard to you for the year for which you filed the application.
- You estimate that the amount of the annual work premium you are entitled to is more than \$500 if you designate a dependent child, or more than \$300 if you do not designate a dependent child.

- You are not incarcerated.
- You are registered for direct deposit and hold an account in a financial institution with an establishment located in Canada.

Advance payments of the work premium are made on a monthly basis, by the 15th of the month.

How to apply for advance payments

You can apply for advance payments of the work premium either online or by mail.

To apply for advance payments **online**, you must:

- register for My Account; and
- use the **Apply for Advance Payments of the Work Premium** service.

To apply for advance payments **by mail**, you must:

- complete form TPZ-1029.8.P-V, *Work Premium Tax Credit: Application for Advance Payments*; and
- mail the form and required documents to us.

You must submit your application no later than October 15 of the year for which the application is made.

You can get the application form on our website or order it by telephone. You can also use it to change or cancel your application. If you have a spouse, **only one of you** can apply for advance payments on behalf of the couple.



THE ADAPTED WORK PREMIUM

What is the adapted work premium?

The adapted work premium is a refundable tax credit that you can claim in your income tax return (Schedule P). A refundable tax credit is an amount that may be granted to you even if you do not have to pay income tax. The adapted work premium is determined on the basis of your income and your family situation. It is designed to provide support to workers with a severely limited capacity for employment so they feel valued in their work.



Who is entitled to the adapted work premium?

You may be entitled to the adapted work premium if your or your spouse's annual work income is over \$1,200 and if you meet the eligibility requirements listed on pages 2 and 3 as well as **one** of the following conditions:

- During the year or in one of the last five years, you or your spouse received an allowance under the Social Solidarity Program because of a severely limited capacity for employment.
- For the year, you or your spouse is entitled to the amount for a severe and prolonged impairment in mental or physical functions.

In addition, your family income must be less than the maximum family income that corresponds to your situation in the table below.

Situation	Maximum family income*
Person living alone	\$27,599.04
Couple without children	\$40,777.16
Single parent**	\$44,376.00
Couple with at least one child**	\$56,682.00

* The amounts listed are for 2018. They are indexed annually.

** If you designate a dependent child, he or she must be under 18. If the child is 18 or over, he or she must be pursuing vocational training at the secondary level or post-secondary studies.

If you are entitled to both the work premium and the adapted work premium for a given year, you can choose the most advantageous option. You and your eligible spouse must claim the same premium for a given year. For example, if you claim the adapted work premium, your spouse must also claim the adapted work premium.

How much is the adapted work premium?

The adapted work premium is calculated on the basis of your work income, family income and family situation.

Situation	Maximum annual adapted work premium*
Person living alone	\$1,406.30
Couple without children	\$2,108.32
Single parent**	\$3,084.00
Couple with at least one child**	\$3,698.80

* The amounts listed are for 2018. They are indexed annually.

** If you designate a dependent child, he or she must be under 18. If the child is 18 or over, he or she must be pursuing vocational training at the secondary level or post-secondary studies.

Beyond certain income thresholds, the premium decreases until it reaches zero.

Family income

Your family income is the total net income of your household (that is, the amount on line 275 of your income tax return plus, if applicable, the amount on line 275 of your spouse's return).

For the adapted work premium, your spouse must be resident in Québec on December 31 of the year for which you are claiming the credit.



Can the adapted work premium be paid in advance?

Yes. Instead of waiting until you file your income tax return to claim the adapted work premium, you can apply for advance payments.

Advance payments correspond to 50% of the adapted work premium to which you expect to be entitled for a given year if you designate a dependent child, or 75% if you do not designate a dependent child.

To receive advance payments of the adapted work premium during a given year, you must file an application with us. However, you must meet **all** of the following conditions:

- You are resident in Québec when you file the application and you are a Canadian citizen, an Indian, a permanent resident or a person on whom Canada has conferred refugee protection.
- You are active in the labour market when you file the application.
- You **are not** a full-time student when you file the application (if you are a full-time student, you are not entitled to the work premium, **unless** you expect that on December 31 of the year for which you file the application, you will be the mother or father of a child who lives with you).
- You are 18 or over on the first day of the month during which you file the application or, if you are under 18, no one may receive the family allowance with regard to you for the year for which you filed the application.
- You estimate that the amount of the annual adapted work premium you are entitled to is more than \$500 if you designate a dependent child, or more than \$300 if you do not designate a dependent child.



- You are not incarcerated.
- You are registered for direct deposit and hold an account in a financial institution with an establishment located in Canada.

Advance payments of the adapted work premium are made on a monthly basis, by the 15th of the month.

How to apply for advance payments

You can apply for advance payments of the adapted work premium either online or by mail.

To apply for advance payments **online**, you must:

- register for My Account; and
- use the **Apply for Advance Payments of the Work Premium** service.

To apply for advance payments **by mail**, you must:

- complete form TPZ-1029.8.P-V, *Work Premium Tax Credit: Application for Advance Payments*; and
- mail the form and required documents to us.

You must submit your application no later than October 15 of the year for which the application is made.

You can get the application form on our website or order it by telephone. You can also use it to change or cancel your application. If you have a spouse, **only one of you** can apply for advance payments on behalf of the couple.



THE SUPPLEMENT TO THE WORK PREMIUM

What is the supplement to the work premium?

The supplement to the work premium is a refundable tax credit that is designed to help former recipients of last-resort financial assistance or financial assistance under the Youth Alternative Program or the Aim for Employment Program so they feel valued in their work. You can claim the tax credit in your income tax return (Schedule P). The amount can be granted to you for a maximum of 12 consecutive months. The supplement to the work premium can be paid for each month in which you earn \$200 or more.

Who is entitled to the supplement to the work premium?

You may be entitled to the supplement to the work premium, and thus receive an additional \$200 a month, if you meet all the eligibility requirements listed on pages 2 and 3 and the following conditions:

- The months in which you earn work income are included in a period of transition to work.
- You received last-resort financial assistance or financial assistance under the Youth Alternative Program or the Aim for Employment Program during at least 24 of the 30 months immediately preceding the start of the period of transition to work.
- The first month of the period of transition to work in which you were no longer eligible for last-resort financial assistance or financial assistance under the Aim for Employment Program, you held a valid claim slip issued by the Ministère du Travail, de l'Emploi et de la Solidarité sociale (MTESS) enabling you to

receive certain dental and pharmaceutical services. However, the requirement to hold a claim slip does not apply if you no longer receive **financial assistance under the Youth Alternative Program**.

- Your work income is \$200 or more in the month for which you are claiming the supplement.

The **period of transition to work**:

- begins on the first day of the month in which you stop receiving, because of work income earned by you or your spouse at the time:
 - last-resort financial assistance assistance, or
 - financial assistance under the Youth Alternative Program or the Aim for Employment Program; and
- ends no later than:
 - the last day of the eleventh month following the month of your return to work, or
 - the last day of the month preceding the one for which you become eligible again for last-resort financial assistance or financial assistance under the Youth Alternative Program or the Aim for Employment Program.

How much is the supplement to the work premium?

The supplement to the work premium is a monthly amount of \$200 that can be granted for a maximum of 12 consecutive months. For a continuous work period of at least 12 months, the supplement could therefore reach a maximum of \$2,400 for a person living alone and \$4,800 in the case of a couple, if both spouses entered the labour market.

Can the supplement to the work premium be paid in advance?

Yes, you can receive advance payments of the supplement to the work premium, if you file an application.



To receive advance payments of the supplement to the work premium, you must:

- be registered for direct deposit;
- hold an account in a financial institution with an establishment located in Canada.

Advance payments of the supplement to the work premium are made on a monthly basis, by the 15th of the month.

How to apply for advance payments

To apply for advance payments of the supplement to the work premium, you must:

- complete form TPZ-1029.8.PS-V, *Supplement to the Work Premium: Application for Advance Payments*; and
- submit the form and required documents to a local employment centre of the MTESS.

You can get the advance payment application on our website or the MTESS website (mtess.gouv.qc.ca) or from a local employment centre. You can also order it by calling the MTESS toll-free at 1 877 767-8773. To modify or cancel your application, you must contact a client services representative at one of our offices.

IMPORTANT

You may have to repay advance payments if you do not meet the eligibility requirements for the tax credit concerned or if your situation changes during the year.

You must therefore notify us of any change in your personal or family situation during the year that could affect the amount of your advance payments of the work premium, the adapted work premium or the supplement to the work premium.



TO CONTACT US

Online

revenuquebec.ca

By telephone

Individuals and individuals in business

Monday to Friday: 8:30 a.m. to 4:30 p.m.

Québec City 418 659-6299	Montréal 514 864-6299	Elsewhere 1 800 267-6299 (toll-free)
-----------------------------	--------------------------	-----------------------------------------

Business, employers and agents for consumptions taxes

Monday, Tuesday, Thursday and Friday: 8:30 a.m. to 4:30 p.m.
Wednesday: 10:00 a.m. to 4:30 p.m.

Québec City 418 659-4692	Montréal 514 873-4692	Elsewhere 1 800 567-4692 (toll-free)
-----------------------------	--------------------------	-----------------------------------------

Complaints – Bureau de la protection des droits de la clientèle

Monday to Friday: 8:30 a.m. to noon and 1:00 p.m. to 4:30 p.m.

Québec City 418 652-6159	Elsewhere 1 800 827-6159 (toll-free)
-----------------------------	-----------------------------------------

Individuals with a hearing impairment

Montréal 514 873-4455	Elsewhere 1 800 361-3795 (toll-free)
--------------------------	-----------------------------------------

By mail

Individuals and individuals in business

Montréal, Laval, Laurentides, Lanaudière and Montérégie

Direction principale
des relations avec
la clientèle des particuliers

Revenu Québec
C. P. 3000, succursale Place-Desjardins
Montréal (Québec) H5B 1A4

Québec City and other regions

Direction principale
des relations avec
la clientèle des particuliers

Revenu Québec
3800, rue de Marly
Québec (Québec) G1X 4A5

Businesses, employers and agents for consumption taxes

Montréal, Laval, Laurentides, Lanaudière et Montérégie Estrie and Outaouais

Direction principale des relations
avec la clientèle des entreprises

Revenu Québec
C. P. 3000, succursale Place-Desjardins
Montréal (Québec) H5B 1A4

Québec City and other regions

Direction principale
des relations avec
la clientèle des entreprises

Revenu Québec
3800, rue de Marly
Québec (Québec) G1X 4A5

Complaints – Bureau de la protection des droits de la clientèle

Revenu Québec
3800, rue de Marly, secteur 3-4-5
Québec (Québec) G1X 4A5

2017-12

Cette publication est également disponible en français et s'intitule *La prime au travail, la prime au travail adaptée et le supplément à la prime au travail* (IN-245).

IN-245-V (2018-12)