

The Government of Canada is continuing to improve the financial security of Canadians in retirement after a lifetime of hard work by increasing Old Age Security for older seniors to help with their extra financial needs.

## ONE-TIME PAYMENT FOR OLDER SENIORS AND OAS INCREASES

### WHAT'S NEW

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The Federal Government is increasing the OAS pension for seniors aged 75 and over as part of Budget 2021. The increase will be implemented in two stages:

- A taxable one-time payment of \$500.00 in August 2021 to seniors who are 75 and over as of June 30, 2022; and
- A permanent 10% increase to the monthly OAS pension for seniors aged 75 and over, beginning in July 2022.

The purpose of the one-time payment is to meet the immediate needs of OAS pensioners aged 75 and over until the permanent increase to their pension is implemented in July 2022. **No action is required by seniors, who will automatically receive the payment if they are eligible.** You will find additional information that may be helpful at: <https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security/one-time-payment-older-seniors.html>

Additionally, in July 2021, the OAS benefit will automatically increase 1.3% for all seniors, bringing the maximum monthly OAS pension amount to \$626.49, up from \$618.45.

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### PAYMENT DETAILS

Notification letters will be mailed out to eligible pensioners starting early July advising of the payment that will be issued the week of August 16, 2021. The one-time payment will be issued in the same manner as the recipient's OAS monthly benefits, but will be sent as a separate direct deposit or paper cheque.

The one-time payment for older seniors is taxable for income tax purposes, but will not be considered income for determining entitlement to income-tested benefits (i.e. Guaranteed Income Supplement, Allowance or Allowance for the Survivor benefits).