



CRA Emergency Measures: No Financial Hardship for Taxpayers in 2020

Description

In the [wake of the virus outbreak](#), the Canada Revenue Agency (CRA) is extending the deadline for the filing of the income tax return. Prime Minister Justin Trudeau gave strong signals last week regarding the flexibility for the upcoming tax season.

Payment and deadlines

The government has set new deadlines for the filing of personal tax returns and payment of balances owing. The deadline to file your personal tax return is June 1, 2020. The extension is one month later than the customary April 30 deadline. For self-employed taxpayers, the filing date is June 15, 2020.

If you have a balance owing on last year's tax returns last year, you can pay until August 31, 2020. The relief period is four months later than the usual deadline. But there may be interest due on any balance owing after August 31 for your 2019 tax return.

Taxpayers who can't make a timely filing of return or payment of any tax obligation due to circumstances beyond their control can request for waiver of interest and penalties. For such tax relief request, use Form RC4288/.

Similarly, the CRA has suspended collections activities on new debts until further notice. Also, in the next four weeks, the taxman will not initiate tax audits on any small and medium businesses.

Seek tax-free shelter

With the astonishing pace by which the coronavirus is turning the world upside down, it would be good to have passive income. **NorthWest Healthcare** ([TSX:NWH.UN](#)) is worth looking into as a prospect. The stock of this \$1.16 billion real estate investment trust (REIT) is \$7.54 per share, and the dividend yield is 11.59%.

In case you have the money to buy this real estate stock, place it in your Tax-Free Savings Account

(TFSA). A \$6,000 investment will produce \$695.40 in [tax-free income](#). However, monitor your TFSA contribution room and make sure you don't over-contribute. The CRA will charge you a tax penalty for the mistake.

NorthWest Healthcare is a leading global diversified healthcare REIT in Canada. Last week, its CEO, Paul Dalla Lana, gave investors assurances. Lana said the safety of tenants, employees and the broader community is the top priority.

Thus far, there's been no reported case in the facilities of NorthWest Healthcare. The REIT team is carefully monitoring the situation and is working with operating partners to implement appropriate precautionary measures.

NorthWest is the only REIT that belongs to the cure segment of the healthcare industry. Best-in-class hospital operators and government-funded public health systems are its partners. The systems deliver the essential primary and acute healthcare services, while the operators are doing the frontline work.

The systems, in particular, are vitally important given that multiple countries are fighting the global pandemic. NorthWest's core real estate business remains very stable. This REIT is taking steps to increase liquidity, conserve cash, and strengthen the balance sheet.

By the end of the second quarter, NorthWest expects to generate about \$380 from the sale of strategic assets. With added liquidity, it can pursue other initiatives.

Not the first time

It's not the first time the CRA is extending tax filing deadlines. The regulatory agency is making sure there's no financial hardship for taxpayers during the crisis.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:NWH.UN (NorthWest Healthcare Properties Real Estate Investment Trust)

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1. Business Insider
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