



Canada Revenue Agency: How Canadians Can Apply for Relief in 2020

Description

The Canada Revenue Agency is under pressure. Firstly, the response to the COVID-19 global pandemic has sent shock waves through economies around the world. Meanwhile, Canada has not been spared. Consequently, many workers have been thrust into an extremely vulnerable position. Employees in restaurant, hospitality, and entertainment sectors took the most immediate hit. In addition, job losses have poured in due to factory shutdowns and the closure of non-essential businesses.

This past week, I'd discussed [defensive stocks](#) like **Empire Company** that investors can explore to secure themselves in the near term. However, for many Canadians, the immediate situation is more dire. With a flurry of new programs on the table, it is important that workers understand how to apply for financial relief as we pass through this major crisis.

Canada Revenue Agency: Financial relief

Ottawa is reportedly bracing for approximately four million applications for job loss relief in the coming weeks. Last week, over one million Canadians applied for employment insurance. This staggering number shattered the previous record and was one of the first data sets that revealed just how catastrophic the early impacts of the economic shutdown have been.

Fortunately, Ottawa has responded decisively with new legislation designed to give relief to those facing sudden and unexpected job loss. Last weekend, I'd [discussed the new program](#): the Canada Emergency Response Benefit (CERB). Prime Minister Justin Trudeau said that the government will launch a streamlined application process for the CERB by April 6. The CERB will be available to anyone who is at least 15 years old and who, in 2019 or in the 12-month period before they applied, had a total employment income of at least \$5,000.

CERB payments will be taxable income, and there will be a \$200 income-tax deduction for a monthly total of \$1,800. Canadians will be able to apply online or through an automated telephone system. They can expect to receive money within one to two days through electronic transfer, or up to 10 days in the mail.

The CERB is more generous than the two programs that were initially announced last week. This is good news for workers who have been forced to deal with unprecedented uncertainty. Canada has followed the example of governments in Europe like the United Kingdom and Germany, which are offering basic income support.

CRA: Tax relief

Canadians will also be granted some relief on their tax returns in 2020. The tax deadline, which was originally set at April 30 for most Canadians, has been pushed back to June 1. This will give taxpayers an extra month to sort out their affairs in this chaotic time. Moreover, the government will allow citizens to defer their income tax payments until August 31, 2020, and before September 2020, with no interest or penalties.

In line with social distancing, the Canada Revenue Agency will recognize electronic signatures from authorization forms T183 or T183CORP, both of which are typically required to be signed by hand. The CRA will also temporarily suspend audit interaction with taxpayers and representatives for the majority of businesses.

Conclusion

To crib an oft-repeated adage, radical times require radical solutions. In this instance, the Canadian government has stepped up to provide unprecedented relief to workers who have been blind-sided by a crisis no one could have seen coming a few months ago. Canadians who are struggling should make themselves aware of these relief options and take advantage of them as they see fit.

Fool on and stay safe!

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