



CRA Delays Tax Deadline: Make Sure to Include These 2 Tax Deductions

Description

The COVID-19 pandemic continues to devastate global markets. As Canadians are stuck in a challenging situation due to the crisis, Canada's government continues to take measures to alleviate their concerns. One of the measures that may prove critical in aiding Canadians struggling during the crisis is the delay of tax-filing deadlines all the way to June 1, 2020.

Prime Minister Justin Trudeau has announced the injection of \$82 billion into the economy amid the crisis. \$55 billion of the stimulus package will go into the tax-deferral program, which will keep cash flowing in the economy, despite the tax-filing deadline moving back to June 2020.

With more time to [prepare your taxes](#), I am going to discuss a couple of tax deductions you should include as you file your taxes. Additionally, I am going to discuss the **Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) stock. It is an option you can consider adding to your portfolio with the tax savings you make.

Medical expenses

Medical expenses can add up significantly throughout a year. It can include everything from routine visits for checkups and dental appointments. The costs of routine appointments, even the prescriptions and doctors' fees, can help you get tax credit when the tax season approaches. Canadians often miss out on several tax credits they can leverage due to medical expenses.

It is a good idea to have one spouse claim all the medical expenses for each immediate family member. If you have a dependent like an elderly parent, you can claim those expenses as well in the tax season along with those for minor children. You can even include travel expenses if you have had to travel over 40 km to seek medical attention. For trips longer than 80 km, you can also include accommodation and meal expenses for tax credits.

Include any and all private insurance premium payments you make throughout the year, because there is a chance they can be eligible medical expenses as well.

Childcare expenses

Another often overlooked aspect during tax filing season is the childcare expense. If you have to pay for childcare so that you can go to work, run your business, or attend your school, you might be aware that these are tax-deductible charges. What most people do not realize is that other costs can also qualify for tax deduction.

The usual fees you pay for childcare services like in-home providers and daycares is tax deductible. Most overnight camps and summer day camps also qualify for tax deduction. If you have been paying extra costs for these camps, you can add those expenses to the claims you make while you file taxes in June.

Investing the tax savings

With so much time to sort everything out, you stand to save a significant amount through tax savings. I would suggest using those savings to earn more money by investing it in high-quality value stocks.

Consider investing in a stock like Restaurant Brands to this end. It is one of the assets [professional investors](#) like Warren Buffett are getting in on at this time. Restaurant Brands lost more than 50% from February 14 to March 18, 2020, during the broader market pullback.

At writing, the stock is back up to \$60.96 per share. The stock recovered and is up more than 50% from its 52-week low of \$36.48 per share. Despite its lower price, it is a high-quality stock to consider. Restaurant Brands is a top-notch business with solid fundamentals. It has more than 26,000 restaurants across the world.

Tim Hortons, Popeyes, and Burger King are all names that come under the Restaurant Brands umbrella. While the stock is down 24.81% from the same time last month, it seems to be on the path to recovery as the TSX shows signs of life.

Foolish takeaway

I think investors should leverage the tax deductions to save significant capital when they file taxes in June, 2020. Instead of simply using up the cash from your savings, I think you should invest in shares of value stocks like Restaurant Brands.

Investing in value stocks can help you make the most of your tax savings and boost your portfolio once the markets recover from the ensuing coronavirus crisis.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. TSX:QSR (Restaurant Brands International Inc.)

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