



CRA Extends Tax Deadline: Get This 1 Little-Known Tax Deduction Counted

Description

The coronavirus outbreak has disrupted people's lives, including the filing of income tax returns in 2020. Usually, Canadians are busy preparing income tax returns for the previous calendar or income tax year (January 1 to December 31) during the first quarter of every year. The customary yearly deadline is April 30.

In [response to the pandemic](#), the Canada Revenue Agency (CRA) moved the tax filing and tax payment deadlines to a later date. The tax agency also reminded taxpayers, particularly union members, about the tax credit or deduction they might not know about.

CRA updates

Individual taxpayers have until June 1, 2020, to file income tax returns, and payment for owed taxes has been extended to September 1, 2020. For corporations, the filing deadline is the same. The deadline applies to corporations that would otherwise have a filing due date after March 18 and before June 1, 2020.

Regarding the balances and installments under Part I of the Income Tax Act, corporations must pay the corresponding tax due no later than September 1, 2020. The extended filing and payment deadlines are all covered by the COVID-19 relief provisions.

Plight of workers

The plight of workers during the pandemic is of the utmost concern. Mass layoffs are beginning in the hardest-hit industries. **Air Canada** ([TSX:AC](#)), the country's flag carrier, laid off 5,150 flight attendants last March 20, 2020. About 600 pilots from a total of 4,400 have been placed on unpaid leave.

But effective April 3, 2020, an additional 16,500 employees will be out of work temporarily. But thanks to Ottawa's 75% wage subsidy, Air Canada can take advantage and rehire 16,000 workers.

Unfortunately, Air Canada remains in [a precarious situation](#) due to worldwide travel restrictions and border closures. The airline company is dealing with a bigger problem than in 2002 when it filed for bankruptcy protection. COVID-19's destruction of the airline industry is so massive that bailouts might be necessary.

Aside from international flights, Air Canada is reducing capacity in 160 regional routes. Its **Boeing 777** jets are flying across Canada only to transport critical medical cargo and vital supplies.

Make your tax deductions count

Taxpayers shouldn't be complacent when filing income tax returns this year. It could be painful if you overlook importation tax credits and deductions. Age is a major consideration, as the tax break amounts change from year to year. Also, the amount is determined as a percentage of your income.

For union members, or in cases where a job requires union membership, you have to pay union dues. Thus, as a taxpayer, you have to make sure that you claim union dues on your taxes.

Other tax credits are available to Canadian parents incurring huge expenses on child-rearing and education. Those with student loans can claim tax refunds on interest paid on these loans. You can likewise claim medical expenses not covered by healthcare.

In this tax season, you can reduce financial strain by taking advantage of applicable tax credits and deductions. You have plenty of time until the new deadlines to prepare well and cover all ground.

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