



## Additional \$550 COVID-19 Benefit From the Canada Revenue Agency

### Description

Earlier this week, I wrote about a one-time payment offered by the Government of Canada through the Goods and Services Tax Credit (GSTC). This payment was made on April 9 and doubled the maximum annual GSTC. The payment [averaged nearly \\$400 for eligible single individuals](#) and close to \$600 for qualifying couples.

Today, let's look at another benefit offered through the government's COVID-19 Economic Response Plan.

An additional Canada Child Benefit (CCB) payment of \$300 per child will be added to qualifying Canadian's May 2020 benefit cheque. Even some families with children under age 18, who do not receive monthly benefits, may be eligible for this money.

There is no need to apply for the benefit. The amount you receive is based on tax returns filed for 2018.

According to the CRA, this CCB benefit means an extra payment of approximately \$550 for the average Canadian family.

## Government programs help Canadians in crisis

As a result of the global COVID-19 outbreak, the Government of Canada has taken historic action to support Canadians and businesses facing hardship. Over the past two months, the [government has announced a series of measures](#) designed to support the finances of individuals, businesses, charities, and non-profit organizations.

These programs are quickly growing in scope to keep up with the financial crisis many Canadians are facing.

## Invest the money for maximum impact

If you are fortunate to have no immediate need for the CCB payment, then you may want to consider investing the money.

Even a small investment in a great company, with dividends reinvested, can reap rewards for long-term investors. Think about a company like **BCE** ([TSX:BCE](#))([NYSE:BCE](#)), Canada's largest telecom operator. The stock is significantly down from its 52-week high, making this an attractive entry point.

## BCE

Trading at \$56.03, as of this writing, the stock is down from its year-long high of \$65.45. At the current valuation, BCE's P/E ratio is 17.06.

BCE is committed to its dividend payment to shareholders. The company has a long-standing policy of increasing its dividend by 5% annually. The current yield is 5.83%.

The company is also committed to capital expenditures, which BCE views as an important aspect of business going forward.

The company's substantial capex budget over the past few years is paying off during the COVID-19 outbreak. Previous upgrades to equipment mean that BCE's network is holding up well under the unprecedented demand. As employees work from home and more customers use entertainment streaming services, demand has never been greater.

The demand is higher not only in metro areas but rural areas as well. Students from all over the country are relying on the internet to participate in "learn-from-home" initiatives. BCE's upgrades to networks in rural areas have made this style of learning possible for thousands of students in elementary, secondary and post-secondary studies.

## BCE has ample liquidity

BCE ended its first quarter with [\\$3.2 billion in liquidity](#). Although wireless revenue is expected to drop this quarter, the company's cash flow generation is strong. The company has ample amounts of credit available through its credit lines.

This means that BCE has the financial capacity to withstand the current crisis. And the company has the financial capacity to continue its network improvements, including its [commitment to 5G](#).

## The bottom line

BCE not only maintains its telecommunications network, but the company has a large media presence as well. Bell Media operates well-known brands, such as CTV, Crave, and TSN.

The company's diverse businesses as well as its continual network improvements should help maintain BCE's financial strength, future sustainability, and growth. This stock is a great choice for long-term investors, especially with dividends reinvested.

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