



## Canadians: 3 Ways the CRA Can Help You During COVID-19!

### Description

Are you a Canadian out of work because of COVID-19?

If so, you have options. The Canada Revenue Agency has rolled out a number of programs to help Canadians financially impacted by the pandemic. You've probably heard of the CERB—a \$2,000 monthly cash transfer you can get if you were laid off because of the pandemic.

What you may not know is that there are several other CRA benefits that can help you in this difficult time. The following are three you should know about.

### If you're a parent

If you're a parent, the Canada Revenue Agency already has benefits to help you financially. In the COVID-19 era, one of them (the childcare benefit) has been expanded by \$300 a month per child. According to Fool contributor Christopher Liew, the increase means that you'll now get [\\$1,500 a month](#) if you earn between \$45,000 and \$60,000 and have two children. Previously, the amount would have been \$900.

### If you are a low income earner

If you're a low income earner, you'll now get more money in GST/HST rebates than you did before. The specific amount you'll get depends on how much you earned and whether you're married or have children.

Regardless of the base amount you'd normally get, you'll get double that amount in 2020. According to the Canada Revenue Agency's website, the maximum amount a single person can get is \$886, up from \$443.

## If you own stocks

If you own stocks, the Canada Revenue Agency has a number of new policies that indirectly benefit you. While there's no specific tax break for investors, tax filing extensions and corporate aid packages can improve your after-tax returns.

In March, the CRA extended the tax filing deadline to June 1, and the payment deadline to September 1. These extensions give you more time to get your paperwork straight and claim deductions you may have otherwise missed.

Calculating capital gains and losses can be a time-consuming process. The filing extension gives you more time to get the details right, which could help with capital loss-write offs. It could also help you avoid penalties for late filing.

The Canada Revenue Agency's corporate aid packages could also help you as an investor.

As of May, the government is offering a number of aid packages to companies. These include a 75% payroll subsidy and new bridge loans for big businesses. The former is administered by the CRA, the latter by different agency.

Last month, after **Air Canada** ([TSX:AC](#)) received its payroll subsidy, it immediately re-hired 16,500 laid-off workers. The positive news may have contributed to a [short lived rally](#) in AC shares.

After the news was announced, AC shares rose 15% in a two week period. Eventually, AC stock resumed its downward spiral, after its Q1 earnings report showed a colossal \$1.05 billion loss. But the government's wage subsidy did ignite a brief rally that gave investors a more attractive price at which to cash out.

The newly introduced bridge loans could similarly benefit investors. These loans are for businesses with over \$300 million in annual revenue. Their value can be upwards of \$60 million.

It doesn't look like companies will be getting enormous amounts of financing from this, but for cash-burning companies like Air Canada, it could make a big difference.

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1. TSX:AC (Air Canada)

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