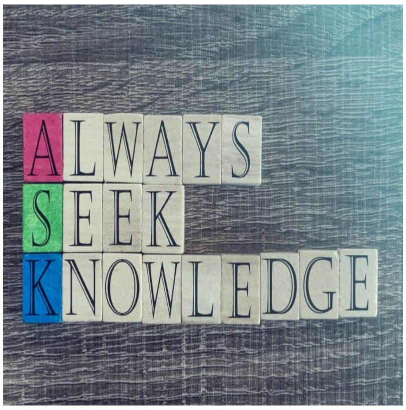

COVID-19: 2 Huge Canada Revenue Agency Changes

Description

The COVID-19 pandemic has had an enormous impact on the daily lives of Canadians. Millions of Canadians have been forced out of work, and millions more have seen a fundamental change in their working situation. This historic crisis spurred the federal government to offer relief in several forms. Today, I want to discuss two big ways the Canada Revenue Agency changed due to the COVID-19 crisis.

Canada Revenue Agency: Introducing the CERB

Statistics Canada recently reported that the country lost almost two million jobs in April — a record high. This has pushed the unemployment rate to 13% compared to 7.8% in the month of March. Since this data has been made available in 1976, this is the highest unemployment rate recorded since December 1982. Many Canadians are hurting, and the federal government has stepped in to provide some financial relief.

Since early April, Canadians have been able to apply for the Canada Emergency Response Benefit (CERB) through the Canada Revenue Agency website. In late April, I'd discussed some of the eligibility criteria that applicants should familiarize themselves with. At the end of April, more than seven million Canadians had applied for the CERB.

One income alternative

Those who have applied for the CERB through the Canada Revenue Agency may have already received their payment in quick order. However, Canadians should also explore other means of accumulating income in this crisis. A monthly dividend stock can provide that steady stream that many Canadians are craving right now.

Shaw Communications is a Calgary-based telecommunications company. Its shares have dropped 15% in 2020 as of close on May 13. Telecom is a worthy target in this environment, as usage rates have gone through the roof due to the widespread lockdowns. Investors on the hunt for monthly income should consider Shaw right now.

Shares of Shaw last possessed a favourable price-to-earnings ratio of 16 and a price-to-book value of 1.8. In early April, Shaw declared a monthly dividend of $0.17444 per share for the three-month period ending June 30, 2020. This represents a strong 5.3% yield. Telecom is a solid target for income investors in this environment. Shaw should be on your radar if you're on the hunt for monthly dividends.

To delay or not to delay?

Earlier this month, I'd discussed the move by the Canada Revenue Agency to push back the income tax-filing deadline for Canadians. This was a kind gesture to provide relief, but Canadians should not necessarily take advantage of the extended deadline. As I'd discussed in the article above, delaying their filing taxpayers will also push back the date when they can receive tax credits and benefits.

For Canadians who are anticipating some goodies with their return, they should move to file sooner rather than later. In other cases, taxpayers may wish to push back the deadline and take advantage of payment deferrals into September 2020. Moreover, citizens should keep track of any future programs that the Canada Revenue Agency offers in this time of crisis.

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