



CRA Tax Deadline Moved: Time to Add These 2 Tax Deductions

Description

People worldwide are having a tough year in 2020. Apart from the global health crisis, economies have taken massive hits. With all this going on, taxes might be the last thing on your mind. However, paying your taxes is a responsibility you have as a Canadian, and you must sort out your income tax returns for the 2019 income year.

Luckily, the [Canada Revenue Agency](#) (CRA) was kind enough to announce that it is pushing back the usual April deadline to June 1, 2020. While the delay does not change the fact that you still have to deal with your taxes, it has given enough time to take a look at the benefits you can take advantage of during the economic downturn.

Today I'm going to discuss two of the most useful tax deductions you can avail before the delayed CRA tax deadline.

Childcare expenses

One of the new problems that many Canadians have had to deal with when working from home is childcare. While it was possible to avail childcare services during normal times, parents don't have access to those professionals right now.

With your children at home right now, make sure you've claiming all the costs of childcare. While there might have been several things you overlooked before, if you have to pay for something related to childcare, you can claim it on your tax deduction.

Whether your children were a part of after school programs that you paid for out of pocket or if they were participating in camps, those expenses can go on your CRA tax return.

Business investment loss

Three out of every five Canadians are saying that they are experiencing financial losses due to the

pandemic. It only makes sense to file for the tax deduction due to business investment loss. Any losses you've incurred for having to sell a share of a small business because it was failing or a debt that a small business owed to you can qualify for this deduction.

Given the Canadian economy's state of affairs right now, business investment loss might become a common tax deduction that Canadians will file this tax season. When you file this tax deduction, any loss to your business will be taken out of your income for the tax year, which means your overall revenue that the CRA taxes will come down.

It may not amount to a significant tax return, but anything helps right now.

Investing returns

Once you file your taxes and you manage to emerge with some bonus cash due to the tax deductions, it could be ideal to use the money to invest in a high-quality stock. You should consider your options carefully when you are investing in a stock with your tax returns. Look for a stock that has a reputation for being stable and strong.

Due to the current downturn however, many high-quality stocks like the **Toronto-Dominion Bank** ([TSX:TD](#))([NYSE:TD](#)) stock are trading for a bargain. TD is among the top banking stocks in Canada with significant presence in the US retail banking sector.

History has a lot to teach investors about the future. The TD Bank has officially been around since 1955. However, the two banks that joined forces have been around since 1855 and 1869, and neither company closed its doors. The banks survived the Great Depression, and investors seeking long-term stability can look at TD with some hope.

While [dividend](#) cuts in the near future are certainly possible, long-term prospects are good for TD due to its increasing geographic diversity and strong operations.

Foolish takeaway

At writing, the stock is trading for \$55.23 per share, and its dividend yield is 5.72%. The stock is down by just over 27% at the start of 2020.

TD is trading for a bargain right now, and it could be worth your while adding the stock to your investment portfolio.

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