



CRA 2020: 1 Horrible Mistake Canadians Are Making

Description

There have been a lot of changes to this year's tax season. Canadians have already been given a number of benefits from the Canada Revenue Agency (CRA) to help keep finances in check. The usual deadline of April 30 has now been pushed back to June 1. On top of that, Canadians have until August 31, 2020 to pay any amount owing.

Then there are the benefits. The top one you've likely heard of is the Canada Emergency Response Benefit (CERB). The CERB offers Canadians \$500 per week for four weeks before needing to reapply to the CRA. Canadians can have the benefit for a total of 16 weeks.

It has also just recently been extended to the end of August amidst the pandemic. Obviously, many Canadians were interested.

As of writing the CRA has given out CERB to 7.98 million Canadians — and that's just those applicants who have been accepted. In total, 13.77 million Canadians applied for CERB, for a whopping \$35.88 billion in benefits paid.

But before you become another statistic, there's a [big mistake](#) Canadians are making when applying for CERB.

CRA asks: Do you need it?

This is what it comes down to. There are a number of reasons you could be eligible for CERB. You could have lost your job and waiting for employment insurance. You could be self-employed and unable to work because the kids are now at home.

You could even have just lost some hours of work, or be furloughed. There are a bunch of reasons that you genuinely need CERB payments from the CRA.

But there are also some reasons you don't need the benefit. If you have been making money, but have taken a dip in income because of the pandemic, you probably don't *need* the benefit. The benefit is

really just available for those making \$1,000 or less during an eligibility period, or less than \$5,000 in the last 12 months.

So what?

OK, so there are some guidelines, but can't you just apply for it anyway? In short, the answer is yes. But there are a number of reasons you won't want to. First of all, the CERB isn't just free money from the government. That money has to be declared on your tax returns.

When the CRA then sees that you made, say, \$2,000 and not the \$1,000 or less, you'll then have to pay back the government for any benefits paid.

Granted, you might have some time before the CRA comes knocking at your door. As of right now, even the CRA admits it won't be hunting out potential fraud.

But when you eventually declare the CERB on your returns, you'll definitely be hearing from them. And that's just the case right now. If more and more Canadians apply for the benefit who don't need it, there is likely to be more penalties on the way.

Bottom line

If you don't need the money, there are other ways to bring in extra cash during the pandemic. If you're even able to put aside \$100 per month, the market is ripe with opportunities. One [top opportunity](#) is **Nutrien Ltd.** ([TSX:NTR](#))([NYSE:NTR](#)).

Nutrien provides crop nutrients around the world and is currently in acquisition mode. The company is bringing together an incredibly fragmented industry.

As the world's population continues to expand, countries will need Nutrien more and more. The stock is still quite young, so there is time to make a killing if you buy up this stock now and hold onto it for decades.

Meanwhile, the company offers a solid dividend yield of 5.66% as of writing. So if you put \$200 toward this stock each month for the next year, that would give you \$136.62 in dividends — and likely a solid increase in share price to boot.

CATEGORY

1. Coronavirus
2. Investing

TICKERS GLOBAL

1. NYSE:NTR (Nutrien)
2. TSX:NTR (Nutrien)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Coronavirus
2. Investing

Date

2025/08/25

Date Created

2020/05/20

Author

alegategolfe

default watermark

default watermark