



190,000 Canadians Had to Pay Back the CRA CERB!

Description

Loopholes are starting to emerge in the manner by which the Canada Revenue Agency (CRA) is dispensing the Canada Emergency Response Benefit (CERB). Aside from ineligible claimants receiving the taxable benefit, others are getting double. Now, the CRA is [recalling CERB payments](#) or demanding its return.

Based on record dated June 3, 2020, 190,000 Canadians have had to repay their CERB. Many made honest mistakes by filing more than one application, while some realized they were not eligible. But those who are deliberately cheating the CRA are facing harsh penalties.

Hasty releases

The CERB program did not have checks and balances at the start. There was a mad rush to claim the \$500 weekly pandemic money as workers were losing jobs or working fewer hours. However, cases of fraud are rising such that the CRA had to open a snitch line.

Tips of alleged misuse of CERB benefit and [other COVID-19 federal aid programs](#) are pouring in. The CRA is working double time to retrieve the payments that went into the wrong recipients. Furthermore, with the program extension, the government is bound to lose more if the CRA doesn't nip the problem in the bud.

Fines are coming

It's a good thing that people were honest enough to return or repay inadvertent CERB payments. Unfortunately, up to 2% of the total of 8.4 million CERB recipients applied fraudulently. The information came from Employment, Workforce Development and Disability Inclusion Minister Carla Qualtrough.

The CRA is investigating all tips and is recommending stricter measures to discourage cheating and fraud activities. A new bill is pending at the House of Commons. The legislation calls for the imposition of stiff fines, including jail time, if necessary.

In hindsight

Had people been saving and investing, there would be less dependence on government support in times of crisis. You might not even be joining the scramble to get CERB payments if you have investments. Similarly, dividend payments from blue-chip stocks are permanent.

BCE ([TSX:BCE](#))([NYSE:BCE](#)) is an investment for the long haul. You would be investing in Canada's most-dominant telecommunications and media company. The business of providing wireless, wireline, and internet services is essential, with or without a pandemic.

Bell, the wholly-owned subsidiary of this \$51.84 billion company, recently launched the largest 5G network in the country. More than 22 million connections are initially covering the Greater Toronto Area, Calgary, Edmonton, Montreal, and Vancouver. The 5G service will expand to more areas soon.

BCE is also joining forces with **BlackBerry** to provide enhanced secure communications to public and private customers. The goals are to expand the scale of the company's solutions and deliver leading-edge mobile security solutions.

The current dividend offer of this top telecom stock is 5.83%. Assuming you have \$20,000 to invest, your passive income for life would be \$1,166 at writing. You now have an instant supplement to your Canada Pension Plan (CPP) and Old Age Security (OAS) pensions.

Apply only if eligible

The CERB is much-needed support, but some people are abusing the program. You run the risk of returning the money if the CRA finds out you're ineligible.

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