



## CRA \$500 Digital News Tax Credit: New for 2020!

### Description

The CRA and the Canadian government have made sure that there are several comprehensive tax deductions and credits available for the people. The aim isn't only to curtail the tax bill. Many tax deductions and credits allow Canadians to [comfortably spend money](#) on various necessities for themselves and their families.

New tax credits and deductions aren't introduced very frequently, but whenever they are, Canadians welcome them with open arms. No matter how small a tax break you get because of a credit, it's still saving you money that you can put to better use. One of those new tax credits is the digital news credit.

### Digital news subscription tax credit

CRA is offering a digital news subscription tax credit. Any digital subscriptions that fall under Qualified Canadian Journalism Organization (QCJO) and that are exclusively produced, original written content fall under the preview of this tax credit.

This is amazing for anyone who subscribes to a wide variety of paid news subscriptions, either for purely educational purposes or to enhance their professional knowledge. Investors and traders, for example, especially the ones that try to emulate Warren Buffett and become avid readers to improve themselves, can really benefit from this tax credit.

The actual credit is calculated based on the total amount paid by the taxpayer (and subscriber) for the year, multiplied by 15% (lowest personal income tax). The subscriptions cannot exceed \$500, so the actual tax break is maximized at \$75. It isn't much, but a tax credit that at least identifies this avenue is a step in the right direction.

### Importance of information for investors

Many investors, especially the ones who manage their own portfolios with individual stocks instead of ETFs and mutual funds, should try and stay as updated about the market and businesses as possible.

The more you know about a business, the better you'll understand it as a potential investment.

Upcoming mergers, new product launch, legal complications, management overhauling, and several other factors can cause stocks to soar or tank. And if you are well informed about the market, you can make timely investment decisions based on the information you have.

An example would be **Chorus Aviation** (TSX:CHR.B). Stocks related to traveling and tourism started falling a bit before the broader market did. Chorus started seeing a downward motion in January. Though it didn't crater till February along with [the rest of the market](#), many investors who anticipated what the pandemic could do to the airline unloaded it before the sell-off frenzy.

Between mid-February and early March, the stock went from \$7.9 to 5.7 per share. Those who were well informed, read the analysis of the pandemic, and anticipated similarities from the SARS situation might have made the right call and sold early on.

## Foolish takeaway

When it comes to stocks, keeping your finger on the pulse and making timely decisions pays off. Predicting the market with 100% accuracy and certainty isn't possible. But you can make educated decisions and mitigate the losses as much as you can. That's where news subscriptions and timely updates about individual companies and broader market pays off. And the new tax credit can come in handy if you are planning on expanding your arsenal of knowledge.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:CHR (Chorus Aviation Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
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5. Sharewise
6. Yahoo CA

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