



Canada Revenue Agency: You Could Have \$1000s in Unclaimed Cash!

Description

Could there be a better feeling than uncovering cash you forgot about? Well, the Canada Revenue Agency (CRA) claims to have roughly \$1 billion in unclaimed cash on its books. Millions of Canadians across the country could be owed money that they're unaware of.

Here's how you can check if the CRA owes you cash and how you can invest that cash to secure your future.

CRA's treasure trove of unclaimed cash

The CRA tends to send out rebates and tax credits via cheque. These cheques could have been sent to the wrong address or lost in the mail. If you don't have direct deposit set up with your bank, this amount could remain unclaimed for years.

According to the CRA, there's over \$1 billion in unclaimed benefits on its books. That's roughly \$26 for every man, woman and child in Canada. However, in practice the amount could be worth thousands for eligible taxpayers. Fortunately, you can check if there's any unclaimed cheques to your name on the CRA's web portal for taxpayers.

Other forms of unclaimed cash

Apart from the CRA, other Canadian institutions hold nearly as much in unclaimed cash. Forgotten bank deposits, GICs and money orders are transferred to the Bank of Canada after a period of 10 years. This means if you have a dormant account or cash laying in the bank untouched for more than a decade, the central bank has claimed it.

The Bank of Canada maintains an online database for such unclaimed balances. The Employment and Social Development Canada (ESDC) also has a similar database for unclaimed cheques from Canada Pension Plan, Employment Insurance or Old Age Security payments.

The Bank of Canada and ESDC have \$888 million and \$133 million in unclaimed funds respectively.

Investing your cash

If you're fortunate enough to find unclaimed cash, you could treat yourself right away or invest it for the future.

Even as little as \$1,000 could [deliver annual dividends as high as \\$120](#) if invested in dividend stocks such as **Brookfield Property Partners**. Alternatively, \$1,000 invested in a high-growth stock such as **Shopify** could be worth tens of thousands by the end of the decade.

You could justifiably argue that stock picking is difficult. Indeed, it's nearly impossible to predict where stock prices will be tomorrow or next year. However, it's easier to predict the general trajectory of the economy and the overall stock market.

If you believe Canada's economy will do reasonably well over the next decade or more, I suggest investing in passive index funds to create wealth from your unclaimed cash.

In other words, you could turn a single piece of good luck into a lifetime's fortune with the right move.

Bottom line

Our economy is far from efficient. The taxation, banking and financial system is so complex, something is bound to slip through the cracks — which is why there's a good chance you have unclaimed cash sitting with the CRA or the central bank.

Fortunately, you can check databases and your CRA account to see if there's any unclaimed cash to your name. Even a small sum, such as \$1,000, could make a massive difference. When invested wisely, any amount of capital could be pivotal in your quest for financial freedom and passive income. Good luck!

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