Will CRA Audit Your CERB Payments?

Description

The Canada Revenue Agency (CRA) isn't going to mess around with these Canada Emergency Response Benefit (CERB) payments. Thus, it's imperative that you are honest during the process. If you received more money than you should or made a mistake on your application, the CRA could withdraw those funds.

Think about it. The Canadian government will have spent $71 billion on the CERB program by the end of the summer. That's a lot of money requiring fraud protection. If you don't think the CRA will audit applications, you may want to rethink how easy auditing has become with the advent of computer science automating data analysis.

If you applied for the CERB extension, ensure everything on your application is accurate and you don't double apply through both Service Canada and the CRA. If you do, you might regret it later when the CRA asks for the payments back.

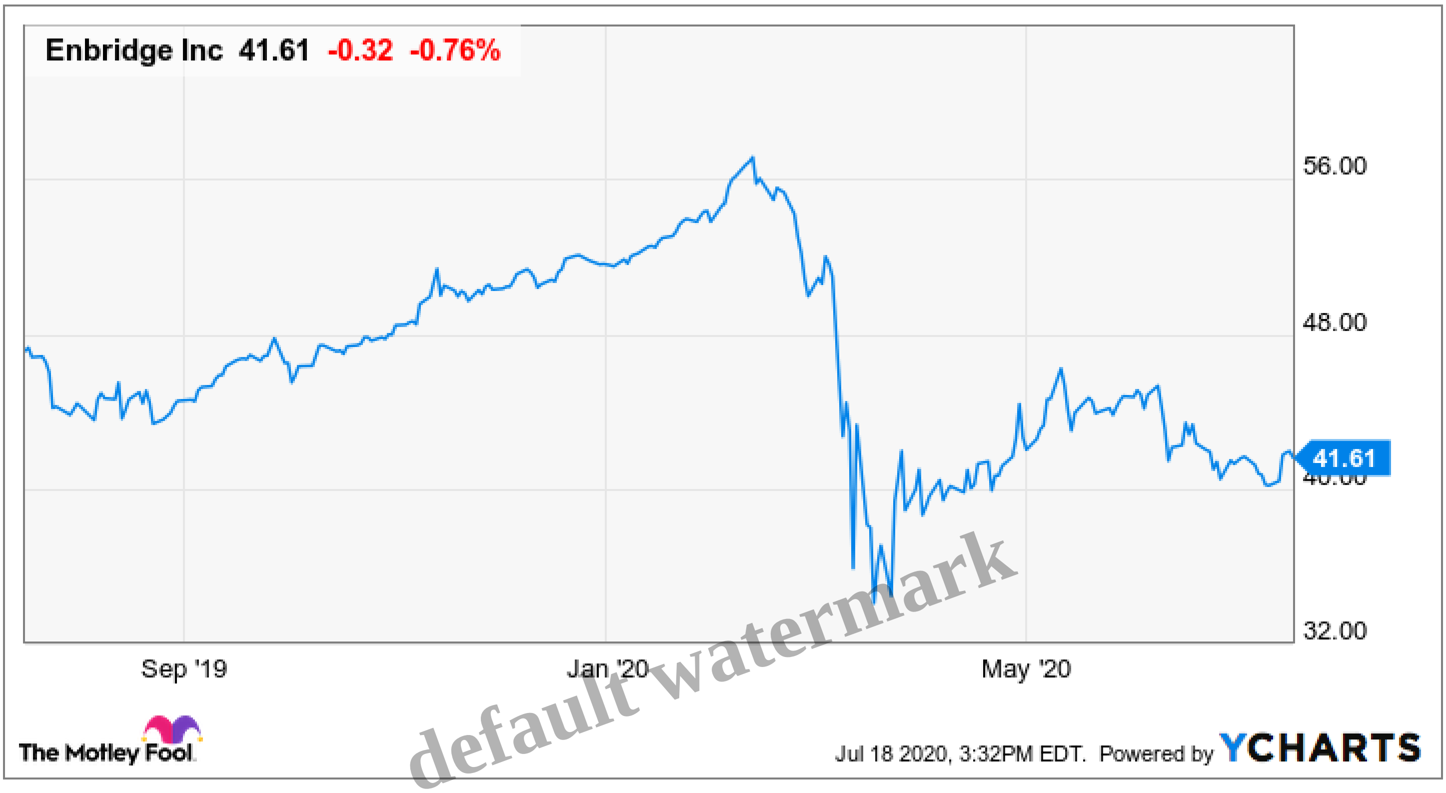
Further, the CRA actually has a tip line to report abuse. Your neighbours, friends, and family could potentially report any perceived abuse of CERB through a program called, Leads. Don't let this happen to you.

What will you do when CERB ends?

Canadians should be preparing for the end of the CERB payments from the CRA. Dividend stocks are a great way to earn income on your investments.

Enbridge (TSX:ENB)(NYSE:ENB) stock recently took a historic plunge during the oil price war and COVID-19 market panic. Selling for $30.66 per share today with a dividend yield of 7.52%, the stock might be a good buy.

After falling to a low of below $35 in March, the stock rebounded to a high of over $46 in May.Dropping back down slightly after that, Enbridge stock appears to have found new support at around$40 per share.



While Enbridge stock may still have further to fall, the company does have a lot going for it. For one, the stock has diversified outside of oil and into renewable energy. The firm owns 21 wind farms, four solar energy plants, and five waste heat recovery facilities.

Renewable energy is quickly replacing traditional oil and natural gas. If you invest in oil stocks, consider buying Enbridge as it has an eye on the future of the business.

Buy cheap dividend stocks today

The market hit some great lows during the market selloff earlier this year. Luckily, the Canadian government stepped in with the CERB program through the CRA to boost the economy. While some of the top picks have bounced back since the initial drop, there are still some great options on the **Toronto Stock Exchange**.

Look for investments with low price-to-earnings (PE) ratios and some good dividend yields. Beta is important too as it tends to measure a stock's volatility relative to the market. For example, Enbridge has a beta of 0.95 which means that this stock will tend to move slightly less on average than the market.

Beta is not a measure of idiosyncratic risk. Oil stocks like Enbridge carry higher than average idiosyncratic risk because they are highly sensitive to geopolitical developments. As we have seen recently, geopolitics can send these stocks plummeting or climbing to new heights depending on where the chips fall.

Before you invest, consider the time frame you are willing to lose access to your initial investment. During periods of market volatility, you might not be able to retrieve the funds without taking a loss. At the end of the day, however, the reward is generally worth short-term loss in liquidity.

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