How to Apply for the $500 CRA Digital News Tax Credit

Description

There is no playbook to combat a pandemic like COVID-19, but the Canadian government is ensuring that all affected sectors are getting relief or support in whatever way. Many of the programs coming out are tax measures. The latest that took effect in 2020 is in support of qualified Canadian journalism organizations (QCJO).

The digital news subscription tax credit (DNSTC) is an opportunity for consumers, particularly ardent followers of news, to get 15% off qualifying online news subscriptions. At the same time, the subscription will support Canadian news content. This tax credit with Royal Assent is part of the 2019-20 federal budget.

Applying

A digital news subscription with a QCJO entitles you to a 15% non-refundable tax credit. The maximum value is up to $500. Effectively, you can claim a $75 tax credit yearly. DNSTC is temporary and available for the tax years 2020 to 2024. It's a novelty in the sense that you save money while receiving news updates.

Qualifications

Only individuals can avail of the tax credit. The condition is that the claim must be against a subscription in a media organization with a QCJO status. The Canada Revenue Agency (CRA) grants the status after the Independent Advisory Board on the Eligibility for Journalism Tax Measures confirms the QCJO designation.

Eligible expense

QCJOs are media outfits or organizations that produce original news content and follow journalistic processes and principles. If you're claiming DNSTC, the news subscription must be in digital form. In case the subscription includes non-digital content, the CRA will only consider the stand-alone digital subscription as an eligible expense. If there is zero stand-alone subscription, only 50% of the subscription expense is the allowable expense.

Market headliner

In the stock market, investors are getting a healthy dose of earnings from **Jamieson Wellness** (TSX:JWEL). This $1.47 billion company from Toronto, Canada, is among the top headliners on the **TSX.** It engages in the development, manufacture, and sale of natural health products. Because of the nature of the business, the stock is a screaming buy in 2020.

The stock performance is superb thus far, given its year-to-date gain of 47%. Had you invested $10,000 on December 31, 2019, your money would be worth $14,704.50. Since Jamieson Wellness is also paying a 1.18% dividend, you get an extra earning of $173.51. Similarly, the beta score is 0.59, which means the volatility is low compared with other stocks.

COVID-19 is doing more good than harm to the business. The sale of health and wellness products is accelerating. In Q1 2020, Jamieson Wellness posted strong growth in revenue, net income and adjusted EBITDA. Only a handful of companies can claim such a feat in the wake of the pandemic. Count this stock as the most promising growth stock post-pandemic.

Shout for help

DNSTC needs to exist in order to enable media organizations to produce original written news content to meet social media and international news outlets' challenges. The federal government is sounding off and extending the financial incentive for people to support the news industry and Canadian journalism in particular.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:JWEL (Jamieson Wellness Inc.)

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