



Hate Taxes? You'll Love This New CRA Digital Tax Credit

Description

People are commonly against taxes, so they take advantage of [various tax credits](#) available to them. Canada introduced several federal tax changes in 2020 due to the COVID-19 outbreak. The most recent is the digital news subscription tax credit (DNSTC). If you're chasing news updates, DNSTC should serve you well.

How to claim

Claiming the DNSTC is easy. The Canada Revenue Agency (CRA) has designated qualified Canadian journalism organizations (QCJO) status to several media organizations. The program aims to lend [support to Canadian journalism](#). These QCJOs produces original news content and follow journalistic processes and principles.

When you have an arrangement or subscription with any QCJO, you can claim back 15% of your news subscription expense, not exceeding the maximum value of \$500. As outlined in the journalism tax measure, DSTC is temporary and will run from tax years 2020 to 2024.

Investors are following news about Warren Buffett's TSX stocks. The billionaire investor has been mostly selling in 2020, and people are speculating if he will ditch the two Canadian companies.

Deep losses

Suncor Energy ([TSX:SU](#))([NYSE:SU](#)) is a stalwart in the energy sector until the shocks of COVID-19 and plunging oil prices hit the markets. This \$32.71 billion integrated energy company is the king of the oil sands, particularly in Athabasca, Canada. It engages primarily in acquisition, exploration, acquisition, development, production, refining, transportation, and marketing of crude oil.

As anticipated, the Q2 2020 (quarter ended June 30, 2020) results are horrible due to the impact of the COVID-19 pandemic and OPEC+ supply issues. Management reported \$1.49 billion in operating loss versus the \$1.25 billion operating earnings in Q2 2019. In Q1 2020, the operating loss was \$309

million.

The stock is still struggling, although it has risen by 42.33% to \$21.45 from the COVID-19 low of \$15.07 on March 18, 2020. The year-to-date, the loss is 48.51%, while the dividend is 3.99% compared to the 7.19% trailing annual dividend yield. Suncor is riding out the storm by reducing operating and capital costs.

Remarkable rebound

Restaurant Brands International ([TSX:QSR](#))([NYSE:QSR](#)) is doing better than Suncor in the stock market. Investors in the owner of popular fast-food brands Burger King, Tim Hortons, and Popeyes are losing by only 4.7% year-to-date. COVID-19-induced shutdowns took its toll on quick-service restaurants but not as severe as the impact on sit-down restaurants.

Sales trends, however, are improving dramatically lately due to the easing of lockdowns. Burger King's drive-thru is doing exceptionally well, while Popeyes continues to display impressive sales growth. Market analysts are bullish about the prospects of fast-food chains during the recession.

The business of quick-service restaurants are returning faster to pre-shutdown levels, and the trend should sustain in the near future. Since consumers are scrimping, inexpensive food offerings will remain popular. Likewise, low-contact or social distancing easily applies. At the price of \$77.20 per share, the dividend yield is 3.76%.

Unique tax measure

Taxpayers will receive a \$75 non-refundable tax credit on a maximum subscription fee of \$500. The tax measure is unique as subscribers of digital news can better help media outfits navigate the health crisis. Also note that the CRA will only consider news subscription in digital form as an eligible expense.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:QSR (Restaurant Brands International Inc.)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:QSR (Restaurant Brands International Inc.)
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