



Canada Revenue Agency: How to Get an Extra \$400 GST Refund

Description

All you need to know about the GST refund

The CRA generally gives a GST refund of up to \$451 to singles and \$592 to couples that have an adjusted net family income of less than \$38,000. It refunds you some amount you paid to buy taxable goods and services. It gives this refund in four installments.

But in April, the CRA gave an amount equivalent to your GST refund as part of the emergency response. So, if you are single, you would have received an [extra \\$400 GST refund](#). This amount would increase to \$600 for couples and \$150 per child for parents.

This GST refund is among the [many cash benefits](#) the CRA gives low- and mid-income earners. The GST refund is exempt from your taxable income. If you don't have any immediate expense coming up, here is a good way to make the maximum of this \$400.

Convert your \$400 emergency GST refund into \$4,000

With an income of less than \$38,000, having savings might be a challenge. This \$400 emergency payment can help you build decent savings in two easy steps.

First, open a Tax-Free Savings Account (TFSA). With this account, you can grow your investment tax-free. When you withdraw the money, it will be excluded from your taxable income.

Second, put the \$400 GST refund in your TFSA and buy a growth stock that can grow your money tenfold.

One stock that saw a speedy growth is **Facedrive** (TSXV:FD).

Facedrive's growth potential

Facedrive is a pretty new company founded in 2016. It is operating in a relatively new and fast-growing market of ride sharing. It is a very small player, competing with market leaders like **Uber**. Facedrive launched its initial public offering in September 2019. It was only in February that the stock began to rally. However, the pandemic-driven lockdown disrupted the ride-sharing market, as people stayed home.

In March, stocks of Uber and Facedrive dipped 63% and 55%, respectively. However, Facedrive turned the threat into an opportunity and ventured into other sustainable markets of food delivery, e-commerce, and health technology businesses. The need of the hour is social distancing, and any business that is satisfying this need is prospering.

Facedrive has developed a Bluetooth-enabled COVID-19 contact tracing app TraceSCAN for wearables. This app is meant for the demographics that do not have access to smartphones, such as children, elderly, and healthcare workers.

The company is also promoting its ride-sharing business as a medium to maintain social distance. Many people are reluctant to use public transport, as they are scared of catching the coronavirus. Ride sharing will help them travel while maintaining a safe distance.

But the biggest catalyst for Facedrive was its acquisition of food-delivery service Foodora in July. The company grew its revenue by 4,000% last year. The recent acquisitions and its venture into alternative businesses will help Facedrive mitigate the impact of the pandemic and maintain its revenue growth momentum in near future.

Investor corner

If you had invested your \$400 emergency GST refund in Facedrive in April, your money would have grown to \$2,600 by now. If you already own this stock, stay invested, as it has the potential to grow your money above \$4,000 in the next three to five years.

CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. TSXV:STER (Facedrive Inc.)

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