



Canada Revenue Agency: New \$5000 Training Credit You Can Claim!

Description

While tax season might seem to have passed, there are many who continue to be overwhelmed with the pandemic. This likely meant there were more than a few Canadians who missed the extended June 1 deadline. While it might seem to be too late to think about taxes, don't give up so easily.

If you were to file even now, then pay what you to the Canada Revenue Agency (CRA) you would meet the new Sept. 1, 2020 payment deadline. This year, the government has stated that means you won't be penalized for filing late, though it's not ideal. That goes for both individuals and corporations alike.

But before you go running off to do your taxes (good for you!) there are some new credits you might want to consider. Some that don't have anything to do with COVID-19, and you can potentially claim them each and every year.

A new tax credit

There are a number of new tax breaks and credits that were introduced for 2019. While some of them have been covered in other [articles](#), there's one that could help those now looking for work, or a new opportunity. It's called the Canada Training Credit.

This new refundable tax credit is applied to eligible tuition, courses, and other fees paid for courses taken in 2020 and subsequent tax years. As of 2019, individuals can claim \$250 per year, up to a maximum of \$5,000 over a lifetime. That's \$5,000 to cover continued education!

How it works

Of course this doesn't mean free courses. The CRA calculates this credit by paying the lesser of two options. Either it pays half the eligible tuition and fees paid that year, or the Canada training credit limit for the year of \$250, if you haven't used most of it already.

These funds can be claimed starting this tax year. So if you took some courses this year, make sure

you have those receipts and claim them before filing your tax return. You can also still claim your tuition tax credit along with the training credit, receiving both refunds from the CRA.

Invest in you!

Here's something to consider. If you have cash available to take courses, why not look into some on investing? Investing isn't just for stock brokers, I can tell you. Personal finance is some of the best investing you can do in yourself. Learning how to budget, save, put money aside for the future are all things to benefit you and your loved ones long term. Take it from a mom of two under two!

Meanwhile, as you're on the Motley Fool to begin with, you can start creating watch lists on which stocks to take advantage of. During this downturn, there have been [many opportunities](#), but the e-commerce sector has provided a plethora of defensive stocks. One that I like in particular these days is **Cargojet Inc.** ([TSX:CJT](#)).

Cargojet has skyrocketed with the e-commerce business as the world moved online during this pandemic. The business was already doing well, partnering with e-commerce giant **Amazon** last year. Amazon now has a 9.9% stake in the company, but that could soon change to 14.9% in the near future.

So while the stock is trading near all-time highs, it's likely that it will continue to soar. Cargojet is already up 110% in the last year, jumping 17.7% after earnings last week.

Bottom line

While tax returns can be a lot of work, you have to remember: it can benefit you. Taking advantage of any way to get back money from the government is in your best interest. Even if it means missing this year's deadline, do the research and apply for credits. And of course, make sure you meet the payment deadline on September 1.

You can then use that money you get back from the government as an investment to snowball your portfolio. Start looking into some courses this year, and use the government cash to invest in your future. After this year, you certainly deserve it.

CATEGORY

1. Investing

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1. TSX:CJT (Cargojet Inc.)

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Date

2025/08/27

Date Created

2020/08/14

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