



## Beware: The CRA Might Ask You to Return 3 Cash Benefits in October

### Description

#### **GST/HST credit**

The CRA refunds low and middle-income earners some amount they spent on buying taxable goods and services. It gives up to \$451 in Goods and Services Tax/Harmonized Sales Tax (GST/HST) refund to individuals with an adjusted net family income of \$38,000 or less. The refund amount reduces as your income increases and ends if you earn \$48,000 or more.

Your GST credit depends not only on your family income, but also your marital status, and family size. For instance, the CRA gives \$592 in GST refund to couples and another \$155 to parents on every child. If you are a Canadian above 19 years of age and you file your tax returns regularly, you are eligible for a GST credit. The CRA will pay this amount in four installments (July, October, January, and April).

#### **Canada Child Benefit**

In addition to the \$155 in GST credit per child, the CRA gives Canada Child Benefit (CCB) of up to \$6,400 for children below six years and \$5,400 for children between six and 17. This translates into a monthly cash benefit of \$533 and \$450, respectively. You can get this amount if you have an adjusted family net income of \$30,000 or less.

In addition to the federal government's CCB, the provincial government also gives child and family benefits. The CRA gives CCB to parents or guardians who are responsible for the child's daily, medical, and child care needs. If you are a Canadian having a child below 17 years of age and you file returns regularly, you are eligible for the CCB.

#### **Guaranteed Income Supplement**

The CRA also gives out \$11,000 in Guaranteed Income Supplement (GIS) to retirees having an

individual income below \$18,600. If you are a Canadian above 65 years of age and have lived in Canada for 10 to 40 years after you turned 18, you are eligible for the GIS. The agency gives you up to \$913 GIS every month along with your Old Age Security (OAS) benefit.

## The CRA might take back your cash benefits

The CRA looks at your previous year's tax returns to calculate the benefit amount. In the light of the pandemic, it has extended the 2019 [tax filing deadline from April 1 to September 30](#). The agency will continue to give the above cash benefits until September 30.

However, if you fail to file your 2019 tax returns before September 30, the CRA will stop the above three cash benefits. Moreover, it might ask you to return the benefit amount it paid between July and September. On the contrary, if you file your 2019 returns you will continue to get these benefits.

## Make the maximum from your CRA cash benefits

If you are earning somewhere between \$30,000 \$40,000 a year, you can get the maximum CRA cash benefits. They can come in handy to start your savings in the Tax-Free Savings Account (TFSA) or [Registered Education Savings Plan](#) (RESP).

You can invest your \$450 GST credit in a high growth stock like **Kinaxis** ([TSX:KXS](#)) through your TFSA. Kinaxis provides supply chain planning solutions to large enterprises. It earns revenue from subscription fees, which varies according to customer size and the number of locations.

In the second quarter, Kinaxis's revenue rose 45% year over year to US\$61.4 billion as many large enterprises renewed their subscriptions for longer terms. It is seeing a delay in some contract renewals and the signing of new contracts due to the pandemic. But overall, its business is resilient to the economic environment.

## Investor corner

Kimaxis has the potential to double or even triple your money in the coming few years as more customers adopt its solutions. If you had invested \$450 in the stock at the start of the year, you would now have \$850 in your TFSA.

### CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

### TICKERS GLOBAL

1. TSX:KXS (Kinaxis Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

### Category

1. Coronavirus
2. Investing
3. Tech Stocks

### Date

2025/08/25

### Date Created

2020/08/17

### Author

pujatayal

default watermark

default watermark