



CRA Update: 3 Cash Benefits Still Available in September!

Description

The Canada Revenue Agency (CRA) has done a splendid job in protecting Canadians from a financial crisis in the COVID-19 pandemic. It gave out several cash benefits to everyone from students to parents to salaried to self-employed to retirees. As Prime Minister Justin Trudeau said, no Canadian was left behind. He even extended some of the benefits beyond July, as he realized that the economy needs more time to re-open and grow on its own.

Apart from direct cash benefits, the CRA deferred the payment of student loans and rent. It even delayed the 2019 tax-filing deadline to September 30.

The CRA will continue to give cash benefits until September

Generally, the CRA gives out cash benefits to taxpayers in the July to June period depending on the previous year's taxable income. However, it has made some adjustments this year because of the pandemic. It will continue to give the below three cash benefits in September. However, this adjustment is only until September.

CERB

The Canada Emergency Response Benefit (CERB) is a temporary benefit the CRA created to address the COVID-19 emergency. It has extended the \$2,000 CERB payment for unemployed Canadians until September. If you have lost your job because of the pandemic and are actively searching for one, you can apply for the CERB.

However, you must have earned at least \$5,000 last year or in the 12 months from claiming the benefit. Moreover, you should have not earned more than \$1,000 during the benefit period. The CRA [might take back your CERB benefits](#) for the July-September period if it finds out that you refused to return to work to continue getting the CERB.

Every eligible Canadian can get a maximum of \$12,000 for six periods in CERB, whether or not they

filed their tax returns. However, the CRA will add these CERB payments to your taxable income for the 2020 tax year.

CCB

There are some cash benefits the CRA gives to those who file tax returns regularly. Per month, it gives up to \$533 in Canada Child Benefit (CCB) for children below six and \$433 for children between six and 17. It gives out this benefit to parents or guardians who have filed their tax returns. This cash benefit is not included in your taxable income. The CRA will continue to give this benefit between July and September, as it has extended the tax-filing deadline.

GIS

The CRA also gives out a maximum of \$913 per month in Guaranteed Income Supplement (GIS) along with the Old Age Security pension to retirees above 65 years of age. While the OAS is taxable, the GIS is not.

If you don't file your [2019 tax returns by September 30](#), the CRA might take back the CCB and GIS benefits it paid out between July and September.

Make every dollar earned in CRA cash benefit count

The above cash benefits are like a bonus to your working income. If you can manage to save \$500 from each of the above three cash benefits between July and September, you would have \$1,500 to invest. You can convert your \$1,500 into \$4,000 in the next two to three years by investing in high-growth stocks.

One such stock is **Facedrive** (TSXV:FD), a new entrant in the ride-sharing business. What's unique about this company is that it has grown sevenfold, while its competitor **Uber** barely recovered from March sell-off. Uber is down 3.5% year to date. People wanted to avoid the ride-sharing business during the pandemic, which locked people at home and disrupted travel.

Even Facedrive faced the brunt of the lockdown, falling more than 50% in March. However, it recovered from the blow and ventured into alternative businesses of food delivery and COVID-19 contact tracing app for wearables. It is also promoting its ride-sharing business as a means of traveling safely with social distancing.

Investor corner

If you had invested \$1,500 in Facedrive at the start of the year, you would now have \$12,250 by now. The stock still has the potential to triple your money in the next few years.

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