



CRA Cash: 2 Emergency Payments You Might Have Missed

Description

COVID-19 affected the economy and livelihoods of people in several ways. The most obvious impact is in terms of endangering the health of vulnerable people, but it has had financial implications. The government's COVID-19 Response Plan has been largely successful in helping its citizens cope with the challenging circumstances through various benefits.

The Canada Emergency Response Benefit (CERB) program allowed many Canadians access to spending money for essentials despite unemployment. Due to the harsh economic reality, many people have also drastically reduced their spending. Despite the country opening up, the months of inactivity has taken its toll on businesses and individuals.

Part of Canada's response to the pandemic has been introducing emergency funds that will help them manage their finances better. Today I will discuss two emergency payments that you can receive from the government and how to make the best use of the extra money.

GST tax credit

The Canada Revenue Agency (CRA) periodically rolls out new tax credits for Canadian taxpayers to leverage. Among its latest tax credits is the [Goods and Services Tax](#) (GST) refund of up to \$400 to all those who received GST credit in July 2019 to June 2020 period. The tax credit refunds part of the taxes you paid while purchasing taxable goods and services.

Generally, the CRA pays this tax credit in four installments. However, in April, the CRA gave the amount equivalent to your GST refund as part of its emergency response. If you are a single person, you would have received an additional \$400 GST refund. The amount increases to \$600 for couples and an additional \$150 per child in a family.

Emergency student grant

The federal government announced its Canada Student Service Grant (CSSG) launch on June 25 as

part of its emergency response. This grant will see students volunteering with local organizations at the graduate and post-secondary level receive up to \$5,000. The more hours students put in with organizations, the more they will earn in increments of \$1,000.

The grant follows the Canada Emergency Student Benefit (CESB) that allows students to earn up to \$1,250 per month through weekly payments for up to 16 weeks. The total amount they can receive is \$5,000. Between the two payments, Canadian students can receive \$10,000 that can be vital for their further education.

Using your emergency payments

The two emergency payments on their own can become a substantial fund that you can use as extra spending money. A better way to use the money would be as capital to invest in equities that can grow your wealth through significant returns. It would help if you considered stocks with growth potential despite the uncertainty in markets right now.

To this end, **Lightspeed POS** ([TSX:LSPD](#)) could be an ideal equity to consider. At writing, LSPD is trading for \$39.41 per share. The stock made a significant recovery from its March 2020 bottom, and it is up by more than 228% from its March low. With the current market situation favoring the e-commerce industry, companies like LSPD see their business boom.

The platform it provides is helping a substantial number of small- to medium-sized businesses move online. The tech company has massive potential to see revenue growth in the coming months regardless of any developments with the pandemic.

Foolish takeaway

Using emergency payments to invest in a stock like Lightspeed can help you grow the amount substantially in the long run through the company's capital gains. Consider collecting these emergency payments if you haven't already so you can achieve better financial security through these [uncertain times](#).

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