Canada Revenue Agency: Claim This $500 Tax Credit Now!

Description

Where have you gone first thing every morning to find out about the pandemic? More than likely, that answer is through a digital news site. What you choose isn't important. However, what is important is that these organizations also need your support in this time of crisis.

Luckily, there's a way that you can support these organizations, get even more information, and also get back some cash. That's through the Digital News Subscription Tax Credit (DNSTC) offered this year by the Canada Revenue Agency. As long as the news you're getting is on the list of Qualified Canadian Journalism Organizations (QCJO), you'll be good to go.

How it works

The DNSTC is a CRA incentive to help support Canadians new media organizations. It's like the Tax-Free Savings Account (TFSA), created to provide taxpayers with an incentive to invest in Canada. Now, you have that same incentive, but for our news organizations.

The non-refundable tax credit is paid to individuals that chose organizations from the QCJO. You can then claim up to $500 in the costs you will ultimately pay towards these subscriptions, with a maximum annual tax credit of $75. These expenses can be after 2019, and before 2025. That would total $500 in about six and a half years.

Take it and invest!

If you want to get ahead with this credit, you simply need to reinvest it. You don't have to be risky to see those funds grow either. Not in today's market. In fact, as the economy continues to be in volatile territory, you'll want a strong stock you can almost guarantee will come out the other end relatively unscathed.

That has to be a stock like **Toronto-Dominion Bank** (TSX:TD)(NYSE:TD). TD Bank offers investors a share price that's still well below pre-crash norms because of the impact that the housing market crash could have on a the bank's loans. But if you're looking for a buy and hold stock, as you should, there's a lot you can get from a stock like TD Bank.

TD Bank offers investors exposure to the United States in spades. The bank expanded into the country and is now one of the top 10 banks in the U.S. Yet it still has much more room to grow. It also expanded into the wealth and commercial management sectors. These are highly lucrative areas that will keep cash flowing in for decades.

TD Bank also offers investors solid share growth and dividends. The bank as a compound annual growth rate (CAGR) of 9.78% in the last decade, with a dividend yield of 5.02% as of writing.

Bottom line

If you took that $500 and invested in TD Bank today, knowing you'll receive that full credit down the line, here is what you could have by that 2025 deadline. A $500 investment would get you about 7 shares today. That would bring in dividends of $22 per year. Meanwhile, your original $448 investment could be worth $640! And that's all with free money from the government, and free subscriptions to boot.

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