Canada Revenue Agency: 2 Big Changes to Watch Out for in 2021

Description

The Canada Revenue Agency (CRA) has had a lot to do in terms of changes due to the unprecedented events of 2020. The government agency had to introduce some of the most radical programs in the country's history to deal with COVID-19 and its impact.

While there may be developments with the global health crisis, the CRA may still have to introduce more changes in the coming year. As 2021 inches closer, the pandemic continues. I will discuss two possible changes to watch out for in 2021.

The possibility of a CRB extension

The Canada Emergency Response Benefit (CERB) was arguably the most successful COVID-19 benefit program this year. It saw two extensions and pumped significant liquidity into the economy to help Canadian citizens, and the economy stays afloat.

The Canada Recovery Benefit (CRB) began on September 27 as a direct replacement for CERB, particularly for employed and self-employed individuals who do not qualify for Employment Insurance (EI) benefits. CRB is available till September 25, 2021.

Depending on how the pandemic develops, it is possible that CRB could see an extension like its predecessor.

Another tax deadline extension

Another major change introduced by the CRA for 2020 was the tax deadline moving ahead. The question is, will the CRA change the tax deadline again in 2021? The tax deadline extension in 2021 depends on how much the pandemic will affect the economy and the job market.

There is much good news when it comes to the vaccine for COVID-19. It is possible that it might be available for use by December 2020. Even if it takes time to vaccinate the entire population, it is a step in a positive direction. We might see a tax deadline delay if there are any issues with the vaccine distribution.

The second wave of infections is sweeping the world. Provinces are looking into lockdown measures to curb the spread. However, it remains to be seen whether the tax deadline delay will take place.

Boost your income

Whether the CRA enacts these two changes in 2021 depends entirely on factors that we do not have much control over. However, you should consider taking this time to boost your income by adding another revenue stream in the form of a dividend portfolio in your Tax-Free Savings Account (TFSA).

The **Telus Corp.** (TSX:T)(NYSE:TU) stock could make a valuable addition to your investment portfolio for this purpose. The telecom sector is already recovering from the February-March sell-off that devastated most of the stock market. Telus held up remarkably well during the crisis, and it continues to perform well.

In Q3, 2020, Telus continued increasing its customer base, and it showed exceptional resilience amid a surge in COVID-19 cases. The company's revenues increased 8% year over year, just short of $4 billion. The Canadian telecom sector is becoming increasingly competitive, but Telus' churn-minimization initiatives allow the company to edge past its closest competitors.

Between its Telus Rewards loyalty program and promotions to new subscribers, Telus continues to secure existing customers while attracting even more. It is trading for $24.63 per share at writing and sports a juicy 4.75% dividend yield. It could provide you with significant and reliable dividend income in your TFSA portfolio.

Foolish takeaway

Several unknown factors could play a major role in how the CRA enacts further changes in 2021 due to COVID-19. While you anticipate the changes by the government agency, it would be wise to use this time to secure more income streams. Investing in a stock like Telus to begin building a passive income TFSA portfolio could be an ideal way to begin.

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