



CRA Tax Relief: Did You Claim Your \$400 GST Earlier This Year?

Description

Since money is tight in the pandemic, Canadians shouldn't miss out on the benefits and credits available in 2020. Among these benefits that Canada Revenue Agency (CRA) is granting are the [Canada Child Benefit](#), Child Disability Benefit, Disability Tax, Canada Workers Benefit, and other benefit and credit payments from provincial or territorial programs.

A tax-free quarterly payment you might forget is the Goods & Services Tax (GST) credit. This credit is most helpful to individuals and families with modest incomes. You can offset all or part of the GST or Harmonized Sales Tax (HST) you pay for Canada's goods and services.

Early this year, the CRA issued an additional GST/HST credit payment. This particular payment should come in handy because it boosts your [income during a health crisis](#). I suppose you were able to claim yours on April 9, 2020.

Extra \$400 boost

People already receiving the GST/HST automatically received the one-time additional payment from the CRA last April. The COVID-related measure amounts to \$400 per single individual, on average, and 600 for couples. Calculations are based on the 2018 tax returns.

GST program in brief

The CRA pays the GST credit four times a year. Usually, it's around the 5th of July, October, January, and April. You don't have to apply for the credit. Every time you file your tax return, the CRA will determine your eligibility. Once okay, the tax agency CRA will issue payments, including any payments from related provincial programs.

A Canadian resident must meet at least one of the following to be eligible for the GST credit:

1. 19 years of age or older

2. With (or previously had) a spouse or common-law partner
3. A parent (or previously were) and live (or once lived) with your child

Reinstatement of interrupted benefits

To receive the GST credit for the 2020-21 benefit year, you must have filed your 2019 tax return. All payments to non-filers stopped on October 5, 2020. Eligible recipients are encouraged to file their 2019 tax returns as it's the requirement for the reinstatement of benefits. The CRA needs to assess and compute the payments.

Earn more quarterly income

Boost your income further by investing in a dividend stock that's ripe for the picking. **Transcontinental** ([TSX:TCL.A](#)) is outperforming with its 27.58% year-to-date gain. Delight in the 4.76% dividend and a potential 42% capital appreciation.

Analysts forecast the stock price to climb from \$19.05 to \$27 in the next 12 months. A \$33,650 position in Transcontinental will produce \$400.44 in quarterly income. It's receiving a regular GST credit. Over time, your investment will compound too.

The \$1.65 billion company operates through packaging (almost 53% contribution to revenues), printing (44%), and media (3%) segments. Transcontinental owns the largest national printing network in Canada. In North America, it's the leader in flexible packaging.

Transcontinental's media division is small, but it publishes the most French-language educational resources in the country. With the successful integration of the printing and packaging segments, expect management to explore new opportunities across multi-platform businesses in 2021.

Must-claim credit

The GST is a must-claim credit. You'll only find out how much tax relief you could receive for the 2020-21 benefit year until you file your 2019 tax return.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:TCL.A (Transcontinental Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Dividend Stocks
2. Investing

Date

2025/08/23

Date Created

2020/11/27

Author

cliew

default watermark

default watermark