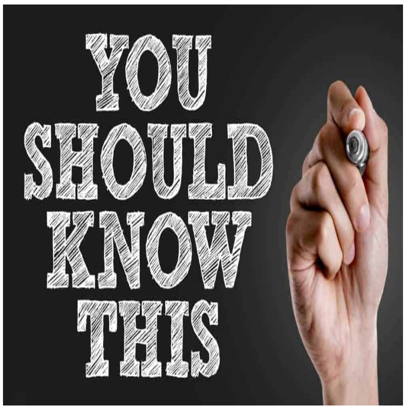

CRA: 3 Overlooked Deductions That Can Help Minimize Your Taxes

Description

There's a possibility that if you've received Canada Emergency Response Benefit (CERB) payments this year that you'll need to pay at least some taxes next year. However, there are ways you can minimize your tax bill and that's by making the most of tax credits and deductions.

While you'll claim the basic personal amount and all the other ones that your tax preparer or the software you use will make sure you get, there are others that can be easy to overlook. Here are three deductions you'll want to pay close attention to that could help minimize the amount of taxes you'll need to pay (and that could maximize your refund):

Medical expenses

Many people are out of work right now, which also means that they aren't covered by an employer's health insurance plan. That means out-of-work Canadians are incurring costly medical expenses that could be making a challenging financial situation even more difficult. But by claiming medical expenses, you can help bring down the cost of your tax bill next year.

You'll want to keep your receipts to track any payments related to prescriptions and visits to the doctor or dentist, plus any premiums you may have paid to a private insurance company. Come tax time, this could be very handy in lowering your total bill.

Moving expenses

Another expense you may overlook relates to moving. It can be difficult to find work right now and if you need to move at least 40 kilometres in order to start a new job, you are eligible to claim moving expenses. This includes accommodation expenses, meals, and any other expenses to do with your move. When in doubt, keep the receipts and you can sort out what you can and can't claim with an accountant when you go to do your taxes.

Interest on student loans

Another expense that you might miss if you've recently finished school is the interest you pay on your student loans. Even if you don't need the credit this year, you can carry it forward to save on future tax bills. By the same token, you can adjust prior-year returns if you've missed this and make use of the carry-forward amounts if you need them for the current year.

Use those refunds to invest in your future

If you're able to get a tax refund next year, you should consider investing the money rather than spending it. While it may not be an exciting decision, putting any excess cash into an investment like **SmartCentres Real Estate Investment Trust** (TSX:SRU.UN) could not just help you build your portfolio's value over the long term but it can also be a source of recurring cash flow for your day-to-day needs.

Today, the stock pays a dividend that yields 7.6% annually. On a $10,000 investment, you would earn $760 every year in dividend income. And one of the advantages of a REIT is that it makes monthly payments, meaning that you'd be receiving a little more than $63 each and every month that you own the stock.

While investors may be concerned about investing in REITs, SmartCentres is generally safer than most with many of its locations anchored by **Walmart**. The company has reported an operating profit of at least 50% in each of its last 10 quarterly results.

Year to date, SmartCentres stock is down 23% and it's trading right around book value, making it an attractively priced investment to add to your portfolio today.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:SRU.UN (SmartCentres Real Estate Investment Trust)

PARTNER-FEEDS

1. Business Insider
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Date
2025/08/14
Date Created
2020/12/01
Author
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