



## CRA: Mums and Dads Get an Extra \$1,500 Tax-Free

### Description

It's been a tough year for parents across the world. Not only do you have to work from home, but your children are probably home all day too. If you've lost your livelihood during this crisis, the stress may have amplified. Fortunately, the Canada Revenue Agency (CRA) is boosting the child benefit program to ease the burden.

If you're a mum or dad, here's what you need to know about the CRA's recent update and how you can get an additional \$1,500 in benefits.

### CRA child benefits

Finance Minister Chrystia Freeland recently unveiled the government's fall economic statement. Part of the statement focused on the financial burden on parents across the nation. To remedy the issue, several CRA benefit programs are being upgraded.

The [Canada Child Benefit \(CCB\) program](#) has already offered a [\\$300 bonus for each child](#) effective July 2020. This bonus could be used to buy essential school supplies, remote learning equipment, or for nutrition.

That's not all. The CRA is also offering parents four tax-free payments of \$300 each in 2021. These payments should go out every quarter of next year. Parents who earn less than \$120,000 and have children under the age of six qualify for this benefit.

It may be a good time to check if you've received this CRA bonus already and are eligible for the additional \$1,200 next year.

### Using the CCB

The CRA's CCB program has a clear mandate: reduce the financial burden of raising children in Canada. However, the government also has another intention with next year's boost in benefit payments: stimulus. More spending supports the Canadian economy and helps it bounce back from this crisis faster.

With that in mind, you could use any leftover CCB cash to invest in stocks that both support the economy and secure your child's future. My top pick for such an investment would be **Telus** ([TSX:T](#))([NYSE:TU](#)).

The telecommunications industry has been immune to this crisis. People have been using wireless data and broadband more than ever. This is why Telus stock is up 28% since late March 2020. Year to date, the stock hasn't lost any value.

Meanwhile, this robust stock offers a lucrative 4.87% dividend yield. If you invested all your extra \$1,500 CCB payments into Telus this year, you could generate \$73 in passive income.

However, Telus isn't just an income stock. I also believe it's got excellent growth prospects. As one of the largest telecom companies in Canada, Telus should see steady growth in its subscriber base as the nation welcomes more immigrants. Meanwhile, the company also has a telehealth subsidiary (Babylon) that should drive growth further.

In short, investing in Telus today could help you secure your child's future.

## Bottom line

The CRA has upgraded the child benefit by up to \$1,500. If you're eligible and find that the cash is more than you need, you can invest the rest. A rock-steady dividend stock like Telus is a good bet all year round.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:T (TELUS)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

**Category**

1. Investing

**Date**

2025/07/24

**Date Created**

2020/12/13

**Author**

vraisinghani

default watermark

default watermark