



Canada Revenue Agency: Don't Miss Out on the \$400 Emergency GST Credit

Description

Filing your income tax return every year has its benefits. Even if your income tax bill is \$0 after several tax breaks, you should file your tax returns. This is because the Canada Revenue Agency (CRA) offers several refundable tax credits and cash benefits to tax filers. One such tax credit is the Goods and Services Tax (GST) refund, which the CRA credits into your account on the fifth date of every quarter (October, January, April, and July).

On April 5, Canadians who had filed their tax returns for the 2018 tax year got a one-time emergency GST credit of up to \$443. Those who are single parents got an additional \$290 in GST credit for the first child. The CRA gave this emergency credit as part of the COVID-19 response plan that ensured no Canadian is left behind. If you didn't get this amount, you can get it now.

Don't miss out on a \$400 GST credit

You can get a retroactive payment of the emergency GST credit in January or April 2021 if you file your 2018 tax returns now. Your emergency GST credit depends on your annual adjusted family net income. You will get the maximum credit amount if your [family income](#) is less than \$38,000, and it will phase out at a net income of \$48,000.

The CRA doubled your GST credit as part of the COVID-19 emergency response plan. For instance, Stacy received \$290 in GST credit in the June 2018 to June 2019 period. The CRA credited an additional \$290 emergency GST credit into her account on April 5. Her total GST credit for that period reached \$580.

If you are married and have kids, your GST credit increases. A family of three (parents and one child) can get up to \$870 in emergency GST credit if your adjusted family income is below \$38,507.

If you filed your 2018 tax returns and still didn't get the emergency GST credit or got a lower credit, it could be because

- There were some changes in your account information, such as direct deposit details, address, or

marital status, since March 9; or

- The CRA reassessed your 2018 or 2019 returns and adjusted the emergency credit against any unpaid dues.

How to convert your \$400 GST credit into \$600

For a family with a net income of less than \$38,000, a \$400 extra credit could bring extra savings. Make the most of the CRA benefits. The CRA allows you to contribute \$6,000 annually in a Tax-Free Savings Account (TFSA).

As the pandemic year comes to an end, there is a turnaround in the stock market rally. The tech stock rally that pushed the **TSX Composite Index** to the pre-pandemic levels has cooled. Now, investors are shifting their focus towards post-pandemic stocks that will benefit from economic recovery.

One [post-pandemic stock](#) that stands out is **RioCan REIT (TSX:REI.UN)**. Canada's second-largest retail REIT took a plunge from the pandemic-driven lockdown, as it had problems collecting rent. The lockdown had closed all non-essential retail stores for a quarter. Many retailers, big and small, moved to online stores and even reduced their physical footprint by closing some brick-and-mortar stores permanently.

RioCan took a plunge as its gross rent collection and committed occupancy rate fell to 73.3% and 96.4%, respectively, in the second quarter. It even reported a net loss of \$350.8 million. But the REIT recovered from the dreadful quarter thanks to its diversified tenant base and its properties in prime locations.

In the third quarter, its gross rent collection improved to 93.4%. It signed new leases at 9.2% higher rent. It also returned to a net profit of \$117.6 million, but it is still lower than last year's third-quarter profit of \$177.6 million. RioCan will bridge this profit gap in 2021 by improving its occupancy rate and signing new leases at higher rates.

Investor corner

RioCan has the potential to give you \$33 in annual dividends and also convert your \$400 to \$600. You can get \$400 in GST credit and \$270 in investment income for filing your tax returns and investing your money wisely.

CATEGORY

1. Coronavirus
2. Dividend Stocks
3. Investing

TICKERS GLOBAL

1. TSX:REI.UN (RioCan Real Estate Investment Trust)

PARTNER-FEEDS

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

Category

1. Coronavirus
2. Dividend Stocks
3. Investing

Date

2025/09/04

Date Created

2020/12/15

Author

pujatayal

default watermark

default watermark