



## CRA: Working From Home? Here's How to Claim \$400

### Description

The Canada Revenue Agency (CRA) has tried to shore up the economy throughout 2020. While the CRA's emergency benefits helped millions of families and small businesses avoid financial distress, this year the agency is trying to fill the gaps for those who were still working.

One of these measures includes a [\\$400 tax credit for Canadians](#) who were compelled to work from home due to the health crisis. This payment should cover the added costs of moving your office to your place of residence for much of 2020.

If you've been working from home throughout the pandemic, here's what you need to know.

### CRA work-from-home credit

Self-employed and remote workers have always been allowed to claim reimbursements for their home offices. Office supplies, energy costs, and even rent could be used to offset taxable income before the crisis.

However, during the crisis, nearly every Canadian professional was forced to shift to this lifestyle. With that in mind, the CRA has expanded eligibility and simplified the process of claiming the tax credit.

Here are the four key eligibility requirements for the program:

- You must be working from home due to the COVID-19 pandemic.
- You must be working from home for a minimum of 50% of a consecutive four-week period during 2020.
- You must be only be claiming home office expenses.
- You must be only be claiming home office expenses that have not been reimbursed by your employer.

If you meet all the eligibility requirements, you may have to get a form signed by your employer to submit to the CRA when you file taxes.

## Investing spare cash

\$400 may not sound like much but could enhance your financial position if invested wisely. For instance, a tiny \$400 investment in **Shopify** stock in 2016 could be worth an astounding \$16,800 right now. That's enough to cover living expenses for several months.

Finding the next Shopify isn't easy, but there are several tech stocks that have the potential to deliver similar returns in the future. My top pick is telehealth challenger **WELL Health** ([TSX:WELL](#)).

WELL stock has already delivered a 326% return over the past year. Investors who got in early when the company went public have enjoyed a 70-fold surge since 2016. That performance outpaces Shopify by a wide margin!

This year, the company is rolling out ambitious new ventures. It's entering the United States market, which is 17 times larger than the domestic market. It's also acquired a strategic stake in an online pharmacy platform that could enhance its total addressable market.

As a result of growing adoption and accretive acquisitions, [WELL Health's sales](#) are expected to jump to \$108 million in 2021. At the moment, the company is worth 11.6 times that at \$1.25 billion. In other words, it's fairly valued at a price-to-sales ratio of 11.6.

If any tech stock has the potential to be a multibagger, it's probably WELL Health.

## Bottom line

The CRA could offer you \$400 in tax credits for working from home. I'd invest this in an aggressive growth stock like WELL Health Technologies.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. TSX:WELL (WELL Health Technologies Corp.)

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