



CRA: Get Up to \$1,500 Extra If You Have Kids!

Description

The Canada Revenue Agency (CRA) might not be getting many popularity points because it raised [Canada Pension Plan \(CPP\) contributions](#). Still, its Canada Child Benefit (CCB) is undoubtedly one of its favourite initiatives for Canadian parents.

The CRA is constantly making efforts to help Canadians across the country, and CCB is creating a positive impact on the economy by providing financial support to Canadian families. The CRA has recently made an upgrade to the program to enhance its support.

Today I will discuss the CPP update you should know about if you are a Canadian parent.

Upgraded Canada Child Benefit

Finance Minister Chrystia Freeland announced the eagerly awaited fall economic statement towards the end of November 2020. The announcement gave everyone a better perspective on government finances and an outlook for how it plans to spend the money this year.

The government spending plan for 2021 is focusing on recovery. Canada plans to spend money to bolster the economy with a \$100 billion stimulus budget. The stimulus will be used to help ordinary Canadians.

The CCB is a \$300 benefit that the CRA offers for each child, effective from July 2020. However, the CRA has also announced an additional \$1,200 benefit for 2021. Families that qualify for CCB and earn a net income less than \$120,000 will get the money in four \$300 tax-free payments. It can add a surplus amount to your family's budget as the economy recovers this year.

Making the most of the enhanced benefit

You can use the \$1,500 in CCB benefits from the CRA for essential expenses. However, there may be a better way to use the enhanced benefit. If you have extra cash left after taking care of essential

expenses, you can save and invest the surplus to secure your child's future.

Brookfield Renewable Partners LP ([TSX:BEP.UN](#))([NYSE:BEP](#)) could be an excellent asset to consider for this purpose. It is no secret that climate change is becoming a major problem for the world. Governments are rallying toward green energy initiatives to replace our reliance on fossil fuels and increase focus on renewable energy.

The renewable energy sector is growing right now, and it could become massive in the coming years. Brookfield is perfectly positioned to take a leading role among green energy companies as the industry booms. With a globally diversified portfolio of renewable energy assets, Brookfield Renewables is already a leader in the space.

Investing in the company using any surplus funds right now could significantly increase your capital's value in the long run. The company buys and sells renewable energy assets. Its shares are up 929.98% since November 2000. As the demand for green energy grows, Brookfield's valuation will also increase.

Buying and holding the stock can also increase your account balance through its dividend payouts, in the long run, further boosting your invested capital's value.

Foolish takeaway

[Every additional penny you can save](#) is a blessing in this economy. If you and your family qualify for CCB, I suggest applying for the tax-free cash benefit and investing any surplus money in a long-term growth asset like Brookfield to secure your child's financial future.

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Date

2025/09/22

Date Created

2021/02/12

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