



## Canada Revenue Agency's \$886 Refund: No Canadian Left Behind

### Description

2020 was a year of learning for everyone. Some learned to work from home, some learned to live with lesser income, and some learned to use technology. But everyone learned to live with the pandemic. The Canada Revenue Agency (CRA) understood people's situation and gave a one-time emergency Goods and Services Tax (GST) refund in April 2020. You must be wondering why am I talking about last year's refund now. You can still get this one-year-old special refund of up to \$886 as a retroactive payment.

### Everything you need to know about the GST refund

The GST is the tax you pay for the goods and services you buy. You can see the GST amount you paid for a particular product or service on the bill the merchant or seller gives you. The merchant pays this GST to the CRA, and the CRA refunds some of it to you under certain circumstances.

The CRA believes that low and middle-income earners spend a higher percentage of their earnings on the GST than higher-income earners. Hence, it returns some GST to Canadians in the low- and middle-income groups. It derives the GST refund amount from your income, marital status, and the number of children.

To get the GST [refund](#) for the July 2019 to June 2020 period, you need to file your income tax returns for 2018. This is because the CRA calculated this refund amount based on your 2018 taxable income. Further, keep your personal details like age, taxable income, marital status, number of children, postal address, and account details updated with the CRA.

### How much can you get in the retroactive GST refund?

If your 2018 average family net income (AFNI) is less than \$38,000, you got up to \$443 in GST refund in the July 2019 to June 2020 period. If your AFNI was above \$38,000, the GST refund started phasing out and became zero at \$48,000 AFNI.

In the light of the pandemic, the CRA gave a one-time emergency GST refund equal to your GST refund on April 9, 2020. If you haven't received this amount, here is your last chance. File your 2018 income tax returns before December 31, 2021, and get a retroactive GST refund, including the emergency refund.

Filing 2018 returns might look tedious, but here is some encouragement for you. You can get a maximum of \$886 in total GST refund if you are single, \$1,160 if you are married, and \$1,740 if you have a child. This amount can increase further if you have more than one child. The CRA gave a \$155 child component in the 2019-20 GST refund.

The CRA will adjust the late-filing penalty and interest on unpaid taxes from your GST refund. If you have very little to no tax bill, you will still get a decent amount in retroactive GST refund after adjustments. Even if your earnings are less, regularly file your income tax returns to qualify for the many benefits the CRA offers taxpayers.

## Put your CRA benefits to good use

Apart from the GST refund, the CRA gave several other cash benefits to help people financially cope with the pandemic. You can put the amount received as benefits in your Tax-Free Savings Account (TFSA). The best part about the TFSA is your earnings and withdrawals are not taxable.

You can invest in the cloud-based point-of-sale (POS) platform **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). The stock has surged four-fold since it got listed on the Toronto Stock Exchange in March 2019. The company is on track for another strong double-digit growth coming from the hospitality sector. The company is eyeing organic growth by increasing its offerings such as Lightspeed Payments and e-commerce for restaurants.

Lightspeed is also in acquisition talks with several firms. It [acquires](#) companies whose business models are similar to its own. The company reported revenue growth of 79% year over year to \$57.6 million in the third quarter after it completed two major acquisitions. It is the correct time to invest in the stock before the seasonal rally begins. Lightspeed will continue to grow on the back of acquisitions and geographical expansion.

### CATEGORY

1. Coronavirus
2. Investing
3. Personal Finance
4. Tech Stocks

### TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:LSPD (Lightspeed Commerce)

### PARTNER-FEEDS

1. Business Insider

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

### Category

1. Coronavirus
2. Investing
3. Personal Finance
4. Tech Stocks

### Date

2025/07/08

### Date Created

2021/03/17

### Author

pujatayal

default watermark

default watermark