

CRA extends payment deadline to Sept. 30

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By Michael Riley Local Journalism Initiative Reporter

The Canada Revenue Agency announced that they are deferring tax payments that were due Sept. 1 to Sept. 30, in an announcement made on July 27. They are not charging the late filing penalty for tax returns as long as they're filed by September 30, and they're not charging interest on any unpaid tax debts, to help Canadians still reeling from the financial impact of COVID-19.

These new measures to help Canadian taxpayers follow previous measures enacted by the CRA such as prior tax filing and payment deadline extensions, new emergency credits and measures like the Canadian Emergency Response Benefit, a one time special payment to the GST/HST credit and a one time increase to the Canadian Child Benefit in May, reduced minimum withdrawals for Registered Retirement Income Funds, electronic signatures for authorization of certain forms and deferring GST/HST remittances and customs duty payments until June 30.

In a statement from the CRA website, they said they have been closely monitoring the COVID-19 situation and are committed to helping Canadians through it. They understand the individuals and businesses might be dealing with financial difficulties as a result of the pandemic, including paying tax debts they may have incurred prior to the virus. As a result, they opted to extend the payment deadline, waived the penalty for late filing of tax returns and are giving relief on interest on existing debts.

According to Jeremy Bellefeuille, press secretary for the Minister of National Revenue, Diane Lebouthillier, there was another reason for the extension.

?There are various dates in September where trusts and corporations and various groups had various dates in September for tax amounts owing. It was just easier to make everything owing at the end of September for everyone. It was getting too confusing for different groups and people didn't know what day was what. It was just easier to put it all together for the last day of September,? he says.

Aaron Wudrick, federal director of the Canadian Taxpayers' Federation says they had been calling for further tax relief for Canadians, so they were pleased to see this extension.

?Tax relief, whether in the form of deferrals, tax holidays, freezes or cuts is welcome right now. It's a very simple and fast way for governments to ease the burden. We believe that going forward governments will have to do more on the tax relief front to help individuals and especially businesses get through the economic challenges caused by the pandemic,? he says.

Marty Robbins owns Unique Finds in Bancroft and is happy with the news of the tax payment extension.

?Any breaks they can do are good, especially when you've been closed for two months. It's all catch up now, you know. And in Toronto, they're just opening now, so for them it's even worse,? he says.

Sandra Nicholson is the owner of West Wind Gallery and Gifts, and hadn't heard about the extension. She says she has been in summer mode, just focused on keeping up with the demand at her shop and trying to keep inventory stocked.

?I suppose any extension is a good thing for individuals or businesses that may have a hard time catching up after the closures and layoffs and all that,? she says.

Sarah Klompmaker is a barber and is the daughter of Tony, who owns Tony's Barber Shop in town. She hadn't heard about the tax payment deferral announced by the CRA either, as the last she'd heard the deadline was September 1.

?I think it's a good thing. They're helping out people and there's a definite need,? she says. ?They're going to help out the small businesses and people and everything, so that's great.?