

Government Economic Relief Measures for Canadian Businesses during COVID-19

Government of Canada:

- Immediate relief for businesses with a [75% wage subsidy](#) for the next 90 days. We announced an up to 75 per cent wage subsidy for qualifying businesses, for up to 3 months, retroactive to March 15, 2020. This will help businesses to keep and return workers to the payroll.
 - Eligibility criteria will start with the impact of COVID-19 on sales, and further updates will be shared by the Government of Canada by March 31, 2020.
 - FAQs: <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html> Please note: the scenarios in the FAQ still apply a 10% wage subsidy, however as of March 26th, 2020 this has increased to a 75% wage subsidy.
- Extending the maximum duration of the [Work-Sharing Program](#) from 38 weeks to 76 weeks. The Work-Sharing program is offered to workers who agree to reduce their normal working hours because of developments beyond the control of their employers.
- [waiving the one-week waiting period](#) and the requirement for a medical certificate for **employment insurance (EI)** sickness benefits to provide immediate support for workers in quarantine
- Increasing the **Canada Child Benefit**, by providing an extra \$300 per child through the Canada Child Benefit (CCB) for 2019-20. This will mean approximately \$550 more for the average family. This benefit will be delivered as part of the scheduled CCB payment in May. Those who already receive the Canada Child Benefit do not need to re-apply.
 - Apply for the Canada Child Benefit [here](#).
- [Canada Emergency Response Benefit \(CERB\)](#), will provide a taxable benefit of \$2,000 a month for up to 4 months. CERB will be accessible through a secure web portal starting in early April. Applicants will also be able to apply via an automated telephone line or via a toll-free number.

Eligibility criteria includes:

- workers who must stop working due to COVID19 and do not have access to paid leave or other income support.
- workers who are sick, quarantined, or taking care of someone who is sick with COVID-19.
- working parents who must stay home without pay to care for children that are sick or need additional care because of school and daycare closures.
- workers who still have their employment but are not being paid because there is currently not sufficient work and their employer has asked them not to come to work.
- wage earners and self-employed individuals, including contract workers, who would not otherwise be eligible for Employment Insurance.

Note: CERB replaces the previously announced *Emergency Care Benefit* and the *Emergency Support Benefit*.

- Personal Income Tax support – [extending the tax filing deadline](#) to June 1, 2020
- Bank of Canada [cutting the interest rate](#) to 0.75% and the Superintendent of Financial Institutions [announcing](#) an additional \$300 billion in lending capacity by the major banks.
- Canada Revenue Agency will [defer tax payments until August 31](#), 2020, to help businesses with cash flow
 - CRA and COVID-19 Income tax filing and payment dates: <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/covid-19-filing-payment-dates.html>
- Business Credit Availability Program to make more than [\\$10 billion available](#) to Canadian businesses in financing and credit insurance solutions through [Export Development Canada](#) (EDC) and [Business Development Bank of Canada](#) (BDC). BDC and EDC are working with private sector lenders to coordinate on credit solutions for individual businesses. Program includes:
 - *Canada Emergency Business Account*: will provide interest-free loans of up to \$40,000 to small businesses and not-for-profits, to help cover their operating costs during a period where their revenues have been temporarily reduced. To qualify, these organizations will need to demonstrate they paid between \$50,000 to \$1 million in total payroll in 2019.
 - *Loan Guarantee for Small and Medium-Sized Enterprises*: EDC is working with financial institutions to issue new operating credit and cash flow term loans of up to \$6.25 million to SMEs.
 - *Co-Lending Program for Small and Medium-Sized Enterprises*: BDC is working with financial institutions to co-lend term loans to SMEs for their operational cash flow requirements. Eligible businesses may obtain incremental credit amounts of up to \$6.25 million through the program.
 - *These programs will roll out in the three weeks after March 27; interested businesses should work with their current financial institutions.*
 - Further information and FAQs on these programs can be found here: <https://www.canada.ca/en/department-finance/programs/financial-sector-policy/business-credit-availability-program.html>
- There is the [Canada Business App](#) that companies can download to access information on all government support programs for businesses.

***Additional business support programs by province found on subsequent pages...*

British Columbia:

- The Workers Compensation Board has [postponed](#) premium deadlines for employers and personal optional protection coverage holders until June 30, 2020.
- Corporate Income Tax balances and installment payments will be deferred until September 30, 2020.
- Businesses with a payroll over \$500,000 can defer their employer health tax payments until Sept. 30, 2020. Businesses with a payroll under this threshold are already exempt.
- Payments for provincial sales tax (PST), employer health tax, municipal and regional district tax on short-term accommodation, carbon tax, motor fuel tax and tobacco tax are also deferred.
- The scheduled increase to the carbon tax rate, and application of PST to e-commerce transactions and sweetened and carbonated drinks, will be delayed.
- Business and light and major industry property classes will see their school property tax cut in half for the 2020 tax year

Alberta:

- Corporate Income Tax balances and installment payments will be deferred until August 31, 2020.
- Deferring education property tax for businesses for six months.
- Workers Compensation Board (WCB) premiums deferral
 - Private sector employers will have immediate financial relief by deferring WCB premiums until early 2021, effectively for one year.
 - Employers who have already paid their WCB premium payment for 2020 are eligible for a rebate or credit.
 - For small and medium businesses, the government will cover 50 per cent of the premium when it is due.
 - Large employers will also receive a break by having their 2020 WCB premium payments deferred until 2021, at which time their premiums will be due.
 - Paying 50 per cent of small and medium private sector WCB premiums for 2020 will cost government approximately \$350 million.
- Utility payment holiday: residents, agri-businesses and small businesses can defer electricity and natural gas bill payments for the next 90 days.
- Customers can apply for a deferral on their ATB loans, lines of credit, and mortgages for up to six months.
- Small business customers, in addition to payment deferrals on loans and lines of credit, will be provided access to additional working capital.
- For other business and agriculture customers, ATB will work with customers on a one-on-one basis and further solutions are being considered at this time.
- More information on ATB's relief program can be found on their [website](#).

Saskatchewan:

- Three Month PST Remittance Deferral and Audit Suspension:
 - Saskatchewan businesses who are unable to remit their PST due to cashflow concerns will have relief from penalty and interest charges. Businesses that are unable to file their provincial tax return(s) by the due date can submit a request for relief from penalty and interest charges on their returns.

- Crown Utility Interest Deferral Programs: waving interest on late bill payments for up to six months, available to all crown utility customers, including business owners.

Manitoba:

- Extend tax payment filing deadlines for business:
 - The province is extending the April and May filing deadlines for small and medium-sized businesses with monthly remittances of no more than \$10,000. Businesses will have up to two additional months to remit retail sales taxes and the payroll tax.
 - The Ministry of Finance will also work with businesses regarding flexible repayment options above the \$10,000 cap.
- Defer Retail sales tax (RST) returns for small and medium-sized businesses:
 - monthly RST remittances of no more than \$10,000 per month that would normally be due on April 20th and May 20th will now be due on June 20, 2020.
 - Businesses that file on a quarterly basis that have a due date of April 20, 2020 will now have the due date extended to June 22, 2020.
- Defer Health and Post-Secondary Education Tax Levy (also known as HE Levy) returns:
 - small and medium businesses with monthly HE Levy remittances of no more than \$10,000 per month that would normally be due on April 15th and May 15th will now be due on June 15, 2020.

Ontario:

- reducing the small business tax rate from 3.5 per cent to 3.2 per cent
- \$10 billion in support for people and businesses through tax and other deferrals to improve their cash flows
- Allowing employers to defer payments to Workplace Safety and Insurance Board (WSIB) premiums for up to six months
- Setting electricity prices for residential, farm and small business time-of-use customers at the lowest rate, known as the off-peak price, 24 hours a day for 45 days
- **Employer Health Tax:** temporary increase to the Employer Health Tax (EHT) exemption from \$490,000 to \$1 million for 2020. With this plan, more than 90 per cent of private-sector employers would not pay EHT in 2020. [see 'Appendix C' for illustrative example]
 - Eligible private-sector employers with annual payrolls up to \$5 million would be exempt from EHT on the first \$1 million of total Ontario remuneration in 2020. The maximum EHT relief from the exemption would increase by \$9,945 to \$19,500 for 2020 for eligible employers.
 - exemption would return to its current level of \$490,000 on January 1, 2021.
- **Tax Deferrals:** Providing [a five-month interest and penalty-free period](#) to make payments for the majority of provincially administered taxes, such as the Employer Health Tax, Tobacco Tax and Gas Tax. (Appendix A: illustrative chart)
 - This measure complements the Federal Government's relief from interest and penalties of not remitting CIT owing.
- **Education Property Tax:** deferring the upcoming June 30 quarterly municipal remittance of education property tax to school boards by 90 days; in turn, providing municipalities the flexibility to provide property tax deferrals to businesses.

Québec:

- Programme d'action concertée temporaire pour les entreprises (PACTE)
 - Pour pallier à un manque de liquidité :
 - En raison d'un problème d'approvisionnement
 - En raison d'une impossibilité de livrer les produits/services
 - Mesure incorporée dans le programme ESSOR
 - Sauf exception, les entreprises de tous les secteurs d'activité sont admissibles à ce programme.
 - L'aide financière, d'un montant minimal de 50 000 \$, est attribuée sous forme de garantie de prêt, mais peut aussi prendre la forme d'un prêt.

Investissement Quebec:

- For businesses whose liquidity is affected by the repercussions of COVID-19, a new emergency funding measure provides ad hoc and exceptional support for businesses affected by the repercussions of COVID-19.
- Details found here: <https://www.investquebec.com/quebec/en/financial-products/all-our-solutions/Concerted-temporary-action-program-for-businesses.html>

Business Tax Deferral:

- Les sociétés de personnes qui devaient, pour l'exercice financier qui se termine en 2019, produire leur déclaration de renseignements des sociétés de personnes (formulaire TP-600) au plus tard le 31 mars 200 pourront plutôt produire cette déclaration au plus tard le 1^{er} mai 2020.
- Partnerships that had to file a Partnership Information Return (form TP-600-V) for 2019 by March 31, 2020, now have until May 1st, 2020, to file the return.

Atlantic Provinces:

Canada's regional development agencies, including the [Atlantic Opportunities Agency](#), have support available for small or medium-sized businesses impacted by the sudden shifts in the economy. For more information, contact ACOA at 1-800-561-4030.

Nova Scotia:

- Government will defer payments until June 30 for all government loans, including those under the Jobs Fund, Nova Scotia Business Fund, Municipal Finance Corp. and Housing Nova Scotia.
- Government will defer payments until June 30 for small business renewal fees, including business registration renewal fees and workers compensation premiums (a list of fees will be posted online early next week).
- Changes to the Small Business Loan Guarantee Program, administered through credit unions, include deferring principal and interest payments until June 30, enhancing the program to make it easier for businesses to access credit up to \$500,000, and for those who might not qualify for a loan, government will guarantee the first \$100,000.

- setting electricity prices for residential, farm and small business time-of-use customers at the lowest rate, known as the off-peak price, 24 hours a day for 45 days

New Brunswick

COVID-19 Guidance and provincial government support for NB businesses can be found [here](#), and includes:

- Deferring [WorkSafeNB](#) assessment premiums for 3 months;
- Deferring interest and principle payments on existing loans from the provincial government;
- Up to \$25-million in working capital for small business owners. These businesses will be eligible for up to \$200,000 in loans. Principal payment will not need to be made for up to 12 months; and
- Up to \$25-million in working capital for medium to large-sized employer. These businesses can apply directly to [Opportunities NB](#) for more than \$200,000 in working capital to help manage the effects of COVID-19 on their business.

Prince Edward Island:

- [Emergency Income Relief for the Self-Employed](#)
A maximum of \$500 per week for the period of March 16 to March 29, 2020
- [Emergency Working Capital Financing](#)
A financing program has been developed to provide emergency working capital financing to assist PEI's small business.

Newfoundland and Labrador:

- Loan payments on business loans administered by the Innovation and Business Investment Corporation are deferred by three months.
- [WorkplaceNL](#) has provided employers with a workers' compensation premium payment deferral until June 30, 2020.

NWT:

- Low interest loans to business operators through the [Business Development and Investment Corporation \(BDIC\)](#). Loans of up to \$25,000 are available to NWT businesses at a rate of 1.75%.
 - Clients of the BDIC can also apply to reduce or defer up to three months of loan payments without penalty or additional interest charges. Businesses will be automatically approved and do not require demonstration of financial hardship resulting from the COVID-19 crisis.
 - Requests must be received no later than the 24th day of the month prior to the payment date. More information can be found [here](#).

Yukon

- Paid Sick Leave Rebate for employers: The rebate covers a maximum of 10 days of wages per employee to allow for sick leave and/or for a 14-day self-isolation period.
 - The maximum daily rebate is \$378.13 per day, per employee. The program will run from March 11, 2020, to September 11, 2020.
 - information on how to apply to this program can be found [here](#).

Contingency Planning Support for Businesses:

The Canadian Chamber of Commerce has developed a comprehensive [preparedness guide](#) for businesses to have contingency plans in place to manage potential financial risk.

The Canadian Federation of Independent Business is also [providing information](#), creating the COVID-19 'Small Business Help Centre'.