

Support for Businesses Impacted by COVID-19

Created: April 4, 2020

Last updated: April 4, 2020

Federal Support for Businesses:

<p>Canada Emergency Business Account, which provides interest-free loans of up to \$40,000 to small businesses and not-for-profits through their financial institutions. Up to 25% of the loan will be forgiven if repaid by December 31, 2022. More details to follow.</p>	<p>Canada Emergency Wage Subsidy (CEWS) applied at a rate of 75% on the first \$58,700 earned by employees, representing a benefit of \$847 per week. The program will be in place for a 12-week period, retroactive to March 15 and ending June 6, 2020.</p>
<p>There is a new loan guarantee through Export Development Canada (EDC), which provides operating credit and cash-flow term loans of up to \$6.25 million. More details to follow.</p>	<p>All payments of GST/HST and import duties are deferred for all businesses, including individuals who are self-employed, until June 30.</p>
<p>Business Credit Availability Program available to make more than \$10 billion available to Canadian businesses in financing and credit insurance solutions through EDC and BDC.</p>	<p>Canada Revenue Agency will defer tax payment obligation until August 31, 2020, to help businesses with cash flow.</p>
<p>Deferral of Sales Tax Remittance and Customs Duty Payments: allows businesses, including self-employed individuals, to defer until June 30, 2020, payments of the Goods and Services Tax / Harmonized Sales Tax (GST/HST), as well as customs duties owing on their imports.</p>	<p>An additional \$5 billion is available to farmers, producers, agribusinesses and food processors through Farm Credit Canada, as well as giving farmers more flexibility in repaying outstanding Advance Payments Program loans.</p>
<p>Extending of the Work-Sharing program: The maximum duration of the Work-Sharing program is extended 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.</p>	

Provincial Support for Businesses

<p>Provincial tax deferrals on the Employer Health Tax (EHT), Tobacco Tax, Fuel Tax, Beer Tax and Mining Tax and other provincially-administered taxes until August 31, 2020.</p>	<p>WSIB premium deferrals until August 31, 2020.</p>
<p>Business Education Property Tax deferrals for one payment quarter (90 days after June).</p>	<p>Employer Health Tax (EHT) exemption threshold increased to \$1-million for the next year.</p>

Support for Businesses impacted by COVID-19

Created: April 4, 2020

Last updated: April 4, 2020

Federal Support for Employees:

<p>Canada Emergency Response Benefit (CERB), provides \$2,000 a month for up to four months for workers and entrepreneurs who are not receiving a paycheque as a result of COVID-19.</p>	<p>The one-week waiting period has been waived and the required medical documents for employment insurance (EI) sickness benefits.</p>
<p>The tax filing deadline is extended to June 1, 2020.</p>	<p>The penalties for Canadians who can't file tax returns or make tax payments on time have been cancelled.</p>
<p>The Canada Child Benefit has been increased: this provides an extra \$300 per child through the Canada Child Benefit (CCB) for 2019-20. This benefit will be delivered as part of the scheduled CCB payment in May.</p>	<p>A one-time special payment starting April 9 through the Goods and Services Tax credit for low- and modest-income families will be provided. There is no need to apply for this payment. If you are eligible, you will get it automatically.</p>
<p>Mortgage Support: Canadian banks have committed to work with their customers on a case-by-case basis to find solutions to help them manage hardships caused by COVID-19.</p>	<p>Effective March 30, a six-month interest-free moratorium on the repayment of Canada Student Loans for all student loan borrowers came into effect. No payment will be required, and interest will not accrue during this time.</p>

Provincial Support for Employees

<p>If you need to lay off employees temporarily, there is no requirement to give or pay notice since the employee is not being terminated.</p>
<p>In Ontario, employers have the option to temporarily lay off employees for up to 13 weeks. After 13 weeks, the lay off becomes permanent and severance pay rules will apply.</p>
<p>The Ontario government said March 25, 2020 that it would offer one-time payments to parents of children who are affected by school and daycare closures.</p> <ul style="list-style-type: none">• These payments will be \$200 per child up to the age of 12, or \$250 if the child is considered to have special needs.