

## Canada's COVID-19 Emergency Response Plan for Businesses

<https://www.canada.ca/en/department-finance/economic-response-plan.html>

*This is an overview provided for clubs, please note this is based on information available on the federal websites and is accurate to the best of our knowledge as of noon Thursday April 16th, 2020. Information changes regularly so be sure you are using the most up to date and accurate information, check the federal website or ask experts for assistance.*

### **Canada Emergency Wage Subsidy (CEWS)**

- **Eligible Employers:** individuals, taxable corporations, partnerships, non-profit organizations and registered charities.
- **To Qualify** – must have a decrease in revenue calculated by using the businesses normal accounting methods and excludes revenues from extraordinary items and amounts on account of capital. Government Funding can also be excluded from these calculations.  
(There may be more information coming from the government specific to non-profits & charities to ensure the definition of revenue is appropriate for their circumstances.)
- **Apply through CRA My Business Account** (Businesses will need to set this up ASAP if you don't already have an account as it requires identity verification) Details on how to create an account are below.
- 75% of salaries for any staff who are employed or become employed for up to 3 months (12 weeks) retroactive to March 15, 2020.
- **Maximum** of \$847/week of employee's remuneration paid or 75% of the employee's pre-crisis weekly remuneration, whichever is less.
  - No overall limit on the subsidy

ELIGIBLE PERIODS	CLAIMING PERIOD	REVENUE DROP REQUIRED	REFERENCE PERIOD FOR ELIGIBILITY**
Period 1	Mar 15 – Apr 11, 2020	15%	March 2020 over March 2019 OR Aver of Jan & Feb 2020
Period 2	Apr 12 – May 9, 2020	30%	April 2020 over April 2019 OR Aver of Jan & Feb 2020
Period 3	May 10- June 6, 2020	30%	May 2020 over May 2019 OR Aver of Jan & Feb 2020

\*\* Whichever reference period is used the first month needs to be continued for each period.

### **Temporary Wage Subsidy Program**

<https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html>

If you do not meet the required decrease in revenue for the above CEWS program, you can claim the originally announced 10% Temporary Wage Subsidy for remuneration paid to employees between March 18 and June 20, 2020

NOTE – If you apply and are eligible for both subsidies, any money received through the Temporary Wage Subsidy will be subtracted from the CEWS payments you receive. You cannot receive both the 10% and 75% wage subsidies for a total of 85% subsidy, the maximum is 75%.

**Canada Emergency Business Account**

- Interest free loans of up to \$40,000 to small business and not-for-profits
  - Help cover operating costs during period where revenues have been temporarily reduced.
  - To Qualify - must have had a total payroll in 2019 between \$20,000 and \$1,500,000
  - Program will roll out in mid-April
  - Apply through your regular financial institution
  - Up to \$10,000 of the amount will be eligible for complete forgiveness if \$30,000 is fully repaid on or before Dec 31, 2022
  - If the loan cannot be repaid by Dec 31, 2022 it can be converted into a 3-year term loan charging an interest rate of 5%

**Deferral of GST/HST Payments** any GST/HST payments owing from March 27 to the end of May can be deferred until the end of June, 2020.

**Extended Income Tax Filing & Payment Dates**

	<b>Filing Date for Current Tax Year</b>	<b>Payment Date for Current Tax Year</b>
Corporations	June 1, 2020 Applies to corporations that would otherwise have a filing date after March 18 and before June 1 2020	September 1, 2020 Applies to balances and instalments under Part of the Income Tax Act due on or after March 18, and before September 1, 2020.
Registered Charities	December 31, 2020 Applies to charities with Form T3010 due between March 18, and December 31, 2020	Not Applicable

**How to Register for CRA My Business Account**

<https://www.canada.ca/en/revenue-agency/news/cra-multimedia-library/businesses-video-gallery/register-mybusiness-account.html>

You need to be recognized by CRA to set up your account. If you have not updated your information with CRA to have the appropriate contacts, you are best to call them.

Note you will need your personal tax information and returns from previous years as well as the organization business number and organization returns etc. available while you call them.

- Go to [www.canada.ca/my-cra-business-account](http://www.canada.ca/my-cra-business-account) and select "CRA register".

- To validate your identity, enter your social insurance number.
- Enter your postal code, date of birth, and an amount you entered on one of your income tax and benefit returns from the current tax year, or the previous one.
- Then select a delivery method for a **CRA security code**, which is required to gain full access to My Business Account.
- Depending on the delivery method you have chosen, you will be asked to confirm your current postal code, or enter your email address.
- Create a CRA user ID and password.
- Select and answer five security questions.
- Review and agree to the terms and conditions of use by entering your password and selecting "I agree".
- If you have chosen to have a CRA security code issued via email, you will now be asked to contact the CRA.
- Registration is now complete until you receive your code. Once you do, log in and enter it.
- Review and agree to the My Business Account terms and conditions of use.
- Then provide your Business number.
- You will now have full access to My Business Account.