

COVID-19 – Tax and Economic Relief Measures

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Current to April 12, 2020 (recent additions – i.e. since the last Special Alert¹ was sent – have been highlighted, as have table of contents headings that address new developments)

Below is a summary of tax relief related measures that have been announced to-date by the federal and provincial governments, followed by an extensive compendium of CRA and provincial publications and links that provide more details on the tax measures as well as other economic/business related measures. For federal purposes, Bill C-13: *COVID-19 Emergency Response Act* (First Reading March 24, 2020; Royal Assent March 25, 2020), was enacted to implement/facilitate tax and economic relief measures first announced on March 18. Subsequently, [Bill C-14](#) (*COVID-19 Emergency Response Act, No. 2*) was passed by the House of Commons and Senate and received Royal Assent as S.C. 2020, c. 6 on [April 11, 2020](#). Bill C-14 amends the ITA to enact the Canada Emergency Wage Subsidy (CEWS – see the related Finance [Background](#)). Part 2 of Bill C-14 amends Part IV.1 of the Financial Administration Act to provide that certain provisions of that Act, as enacted by the *COVID-19 Emergency Response Act*, cease to have effect on the day after September 30, 2020.

Summary of Extended Tax Filing and Payment Deadlines: COVID-19

Corporations	
Tax return filing date for a taxation year ending on December 31, 2019	Deadline is 6 months after year-end (unchanged). For an off-calendar year-end corporation, if a return was due after March 18, 2020 and before June 1, 2020 the deadline is extended until June 1, 2020 (see row 3 below).
Payment date for current tax year	Deadline is extended to September 1, 2020. Applies to balances and instalments under Part 1 of the ITA due on or after March 18 and before September 1, 2020. The extension does not apply to taxes payable under other Parts of the ITA, such as Part IV, Part IV.1, Part VI.1, Part XIII. Furthermore, payroll deductions and all related activities – except to the extent they relate to the reduction of remittances related to the temporary wage subsidy – must continue to be remitted on time. Presumably, ITR 102 and 105 withholdings must be remitted by the normal due date even though such taxes are imposed under Part 1 of the ITA. Also, it appears withholdings under ITA 116 must be remitted by the normal due date. In the Appendix below, see COVID-19 Update: Additional measures from the Canada

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	Revenue Agency (CRA Special Notice: March 27, 2020). Also, see CPA Canada/the CTF, " Summary of Outstanding COVID-19 Tax Issues ", April 8, 2020.
"Administrative tax actions" required under the ITA that are due after March 18, 2020	Deadline is extended until June 1, 2020. "Administrative income tax actions" include the filing of returns (e.g. a T2 return for a corporation with an off-calendar year-end), forms (e.g. T1134), elections (e.g. T2057), designations (e.g. principal residence change-of-use election), and responses to information requests. Payment and remitting requirements are not covered (for example, payroll deductions and all related activities – except to the extent they relate to the reduction of remittances related to the temporary wage subsidy – must continue to be remitted on time). Furthermore, this relieving measure does not apply in respect of a prescribed form, receipt or document, or prescribed information, that is required to be filed with the CRA on or after the day specified, in respect of the form, receipt, document or information, in ITA 37(11) or 127(9) "investment tax credits" (m) (i.e. in respect of SR&ED credits – Form T661, T2 sch. 31). In the Appendix below, see COVID-19 Update: Additional measures from the Canada Revenue Agency (CRA Special Notice: March 27, 2020).
<u>Objections</u>	Deadline for any objection request due March 18 or later is extended until June 30, 2020 (per Finance Backgrounder 2020-03-27). Objections related to entitlement to benefits and credits have been identified as a critical service and will continue to be processed during the COVID-19 crisis such that there should not be any delays with the processing of these objections.
<u>Transfer Pricing</u>	Requests for contemporaneous documentation that were made prior to April 1, 2020 having a deadline of March 18, 2020 or later will be considered cancelled and will be re-issued at a later date, providing the maximum amount of time of 3 months to submit the documentation. See also Kirkey et al., "Transfer pricing & APA considerations during an economic disruption", Gowling WLG, April 7, 2020 (available on <i>Taxnet Pro</i>) and KPMG, " COVID-19 — Implications and Considerations for Transfer Pricing ", <i>Implications and Considerations for Transfer Pricing</i> , April 9, 2020.
<u>Trusts</u>	
Filing date for current tax year	Extended to May 1, 2020. Applies to trusts with a tax year end date of December 31, 2019.
Payment date for current tax year	Extended to September 1, 2020. Applies to income tax balances and instalments due on or after March 18 and before September 1, 2020. Penalties and interest relief will be considered on a case-by-case basis for income tax balances that are not covered by the COVID-19 relief provisions.
<u>Partnerships</u>	
Information return for current year	Deadline is extended to May 1, 2020.
<u>Part XIII Non-Resident Tax</u>	
Filing date for the 2019 NR4 information return	Deadline is extended to May 1, 2020.
Payment date	The 15th of each month following an amount paid or credited by residents of Canada to non-resident persons (no extension granted).

Appeals

The FCA and TCC have introduced several measures in light of COVID-19 ([FCA Notice](#); [TCC Notice](#)). For the TCC, all sittings and conferences calls scheduled between March 16, 2020 and May 1, 2020 were cancelled and the Court and its Registry offices will be closed until further notice. The TCC has also suspended the time limits provided for in the *Tax Court of Canada Rules* and any TCC orders and directions made prior to March 16, 2020 from March 16, 2020 to May 1, 2020. Note, however, that the statutory deadlines for filing appeals from ITA and ETA assessments and reassessments continue to apply. A notice of appeal filed during this period must be filed electronically or by telecopier. If a statutory deadline does not apply, taxpayers have been asked to wait and file their notices of appeal when the TCC returns to normal operations. The [FCA](#) has also issued a Notice suspending hearings until May 15, 2020 (see also fct-cf.gc.ca/en/pages/law-and-practice/notices and [Frequently Asked Questions: Practice Direction and Order\(COVID-19\)](#)). Furthermore, the [FC](#) and the [SCC](#) have modified and/or suspended hearings scheduled to be heard, adjusted filings deadlines and extended or delayed other items during this time. See also Kroft et al., “Modified Deadlines For Federal Tax Litigation Proceedings”, Bennett Jones LLP (available on Taxnet Pro), April 8, 2020.

[GST](#)**Remittance due date**

The CRA will extend until June 30, 2020 the time that: 1) Monthly filers have to remit amounts collected for the February, March and April 2020 reporting periods; 2) Quarterly filers have to remit amounts collected for the January 1, 2020 through March 31, 2020 reporting period; and 3) Annual filers, whose GST/HST return or instalment are due in March, April or May 2020, have to remit amounts collected and owing for their previous fiscal year and instalments of GST/HST in respect of the filer's current fiscal year. Thus, taxpayers will have until June 30, 2020 to make the following payments: 1) for monthly filers, remittances collected for the February, March and April 2020 reporting periods, 2) for quarterly filers, remittances collected for the January 1, 2020 through March 31, 2020 reporting period, and 3) for annual filers whose GST/HST return or instalment are due in March, April or May 2020, remittances collected and owing for the previous fiscal year and instalments of GST/HST for the filer's current fiscal year are not due until June 30. Importers may defer certain monthly duty and GST payments normally due on April 1, 2020, May 1, 2020 or June 1, 2020 to June 30. Excise taxes and duties are still required to be remitted by their prescribed due dates, but the CRA has stated it will consider waiving interest charges on a case-by-case basis. Note that paper copies of GST/HST returns will not be processed until normal operations resume, and the CRA is “encouraging” registrants to file electronically (i.e. such that refunds can be processed automatically). See below under “Deferral of GST/HST Tax Remittances (COVID-19 Measures) (CRA FAQ) (April 1, 2020)”.

Returns

Penalties for late-filing of GST/HST returns due before June 30, 2020 [will not be imposed](#) provided the returns are filed by June 30. See also CPA Canada/the CTF,

	“Summary of Outstanding COVID-19 Tax Issues” , April 8, 2020, under “General GST/HST Concerns”.
<u>Customs Duty and Sales Tax for Importers</u>	
Remittance due date – Payments owing for customs duties and the GST on imports	Payment deadlines for statements of accounts for March, April, and May are being deferred to June 30, 2020. Businesses in need of information about their particular accounting and payment obligations on imported goods may contact the Canada Border Services Agency for more details. See also CBSA Memorandum D3-1-5: International Commercial Transportation (update April 9, 2020), PWC <i>Tax Insights Issue 2020-21</i> , Fasken’s International Trade Law Bulletin , and Bennet Jones, “Trade Implications of COVID-19 from a Canadian Perspective”, April 2, 2020 (available on Taxnet Pro)
<u>Payroll remittances – Due dates</u>	
Payment date	No extension granted
<u>Corporate filing deadlines</u>	The federal government has announced a suspension of the deadline for federally incorporated companies filing their annual return until September 30, 2020 (by law, every federally incorporated business, NPO and cooperative has to file an annual return with Corporations Canada each year to remain active and comply with corporate statute requirements). See also Blakes, “Canadian Governments Suspend Corporate Deadlines”, April 3, 2020 (available on <i>Taxnet Pro</i>)
<u>Individuals</u>	
Filing date for 2019 tax year	Extended to June 1, 2020. For self-employed and their spouse or common law partner, the due date remains June 15 (no extension granted).
Payment date for 2019 tax year	Extended to September 1, 2020 (penalties and interest will not be charged if your balance due is paid by September 1, 2020).
<u>Charities</u>	
Filing date	Deadline is extended until December 31, 2020. The extension applies to charities with Form T3010 due between March 18, 2020 and December 31, 2020. See also Carters, “ Annual Return Deadline For Federal Corporations Extended Due To COVID-19 ”, April 2, 2020 and Carters.ca under “COVID-19 Resources”.
Quebec	On Revenue Quebec’s webpage, see: COVID-19: FAQ for Individuals ; COVID-19: FAQ for Businesses ; and Relief Measures for Individuals and Businesses
Corporations	The corporate income tax return deadline is extended to June 1, 2020 for returns that would normally be filed between March 17 and May 31, 2020. The payment deadline is extended to September 1, 2020 for balance payments that would normally be made between March 17 and August 31, 2020. For corporation instalment payments, the payment deadline is extended to September 1, 2020 for balance payments that would normally be made between March 17 and August 31, 2020. Per a March 27 Press Release, “Québec will accelerate the processing of requests for tax credits intended for businesses and tax refunds”. Revenu Québec will also limit its audits and collection activities. The measures deferring payment of corporation income tax instalments and balances also apply to the mining tax.
Tax Exempts	Information return for non-profit organizations: The filing deadline is extended to June 1, 2020, for returns that would normally be filed between March 17 and May 31, 2020. Information return for registered charities and other donees: The filing

	deadline is extended to December 31, 2020, for returns that would normally be filed between March 17 and December 30, 2020
<i>Trusts (including SIFT entities)</i>	The deadline for filing the income tax return of a trust (other than a testamentary trust that is a graduated rate estate) has been extended from March 30, 2020, to May 1, 2020. If a testamentary trust that is a graduated rate estate would normally have had to file an income tax return after March 16, 2020, for the taxation year that ends in 2019, the filing deadline has been extended to May 1, 2020.
<i>Partnerships (including SIFT entities)</i>	The deadline for filing the Partnership Information Return (TP-600-V) has been extended from March 31, 2020 to May 1, 2020 if all members of the partnership are individuals. If all members of the partnership are corporations, the return must be filed within five months following the end of the fiscal period. If the filing deadline would normally be after March 16, 2020, but before May 1, 2020, the deadline is extended to May 1, 2020. In all other situations, the return for a fiscal period that ended in 2019 must be filed by May 1, 2020, or the last day of the fifth month following the end of the fiscal period, whichever comes first. However, if the last day of the fifth month following the end of fiscal period is after March 16, 2020, the filing deadline for the fiscal period is May 1, 2020.
<i>Individuals</i>	The deadline to file an income tax return is extended to June 1, 2020 for individuals whose tax return filing-due date for the 2019 taxation year would otherwise be April 30. Also, the deadline to pay any balance of tax due (or tax instalments), and/or any QPP, QC Parental Insurance Plan, Health Service Fund, or QC drug insurance plan contributions for the 2019 taxation year is extended to September 1, 2020.
<i>QST</i>	The deadlines for filing GST/HST and QST returns remain the same. If you are able to file the returns by the usual deadlines, you should do so. However, a taxpayer will not be charged a penalty the taxpayer files, by June 30, 2020, all returns that you would normally have been required to file between March 27, 2020 and June 1, 2020. The deadline for paying GST/HST and QST related to returns that would normally be filed between March 27, 2020, and June 1, 2020, has been extended to June 30, 2020. The same applies to instalment payments. Note that Revenu Québec continues to process refunds. A taxpayer can now file fillable PDFs of some tax refund applications using the online service in <i>My Account</i> for businesses. See also Information Bulletin 2020-05: Postponement to June 30, 2020 of the deadline for filing QST returns and the attendant payments and KPMG, " COVID-19 — CRA & Quebec Offer GST/HST and QST Relief ", <i>TaxNewsFlash Canada</i> , No. 2020-36, April 2, 2020.
Other Taxes	The normal payment and filing deadlines apply in respect of: Tax on alcoholic beverages; Tax on insurance premiums; Tax on lodging; Specific duty on new tires; Municipal tax for 9-1-1 service; Fuel tax; Tobacco tax; payments of source deductions and employer contributions.
Various Administrative Deadlines	Tax laws and regulations set out numerous deadlines for taxpayers to exercise their rights, provide information, send documents or make an election. If taxpayers fail to meet these deadlines, they may be unable to exercise their rights or incur a penalty or interest, depending on the type of obligation and the extent of the omission. Revenu Québec has extended to June 1, 2020, all administrative

	<p>deadlines (other than the deadlines already extended for certain returns) that would normally fall in the period between March 17, 2020, and May 31, 2020. This does not apply to the payment of various consumption taxes, contributions or source deductions. The extension covers the following: corporation income tax returns; elections under Québec tax laws or regulations, such as rollovers (excluding QST elections, which are harmonized with the GST); tax credit applications requiring supporting documents (12-month time limit); fuel tax refund applications; information request response times; mandatory or preventive disclosure of tax planning; applications under the Québec education savings incentive (QESI) (90-day time limit); etc. In terms of Administrative tribunal time limits, only the proceedings that are deemed urgent by law will be heard and the offices of the Tribunal will be accessible only to the people whose case must be heard or to whom a necessary service must be given. Also, mining claims that would otherwise expire after April 9, 2020 will not expire for an additional 12 months.</p>
Appeals	<p>An appeal before the Court of Québec is brought by an application in accordance with the contentious proceedings governing actions and applications in civil matters. In accordance with Order 2020-4251 of the Chief Justice of Québec and the Minister of Justice, the time limits for filing appeals before the Court of Québec are suspended from March 15, 2020 until the health emergency is lifted. This suspension applies to: appeals before the Court of Québec; summary appeals before the Small Claims Division of the Court of Québec; applications for review of a decision by the Minister not to extend the deadline for filing a notice of objection; applications to extend the deadline for filing an appeal or summary appeal.</p>
Objections	<p>If a taxpayer wants to file a notice of objection and the 90-day time limit expires in the period between March 13, 2020 and June 29, 2020, the time limit has been extended to June 30, 2020.</p>
Municipalities	<p>The owners of residential and commercial properties in Montreal will have an extra month to make their second instalment of property taxes so that the deadline is postponed to July 2, 2020. Also, effective March 19, 2020, private and social economy businesses who have received a loan through the PME MTL fund, Fonds Locaux de Solidarité, and Fonds de commercialisation des innovations will benefit from an automatic, six-month moratorium on capital and interest. The City will pay the interest during this period. For Québec City businesses and individuals: the May 4, 2020 municipal tax payment is postponed to August 4, 2020, the July 3, 2020 municipal tax payment is postponed to September 3, 2020, and the September 3, 2020, municipal tax payment is postponed to November 3, 2020.</p>
Ontario	<p>The province introduced a five-month interest and penalty free period for return filing and payment deadlines for many provincial taxes beginning April 1, 2020, including: EHT; tobacco and beer, wine and spirits taxes; fuel and gas taxes; mining tax; insurance premium tax; retail sales tax on insurance contracts and benefits plans. The EHT exemption has also increased to \$1M (from \$490K) for 2020. Furthermore, the Workplace safety and insurance board (WSIB) will allow employers to defer payments for six months. Sch. 1 employers will be allowed to defer reporting and payments of any premiums owed to the WSIB until August 31,</p>

	2020. Sch. 2 employers that pay WSIB for the cost related to their workplace injury and illness claims will also be eligible for the deferral. Interest and penalties will be waived for the six-month period. See Ontario's Action Plan: Responding to COVID-19 (download the Action Plan here) and Employer Health Tax (EHT) Exemption Increase for 2020 –Tax Bulletin .
Alberta	The filing due date for an Alberta Corporate Income Tax Return (AT1) that otherwise would have a filing due date after March 18, 2020 and before June 1, 2020 has been extended to June 1, 2020. Alberta will not assess a late-filing penalty with respect to an AT1 otherwise due during this deferral period but filed on or before June 1, 2020. Also, Alberta businesses with corporate income tax balances owing or installment payments coming due between March 18, 2020 and August 31, 2020 can defer these payments until August 31, 2020. Penalties and interest will not apply during this period. The deferral does not apply in respect of tax balances or installment payments made prior to March 18, 2020. The TRA also announced that it will modify its corporate income tax audit and collection practices during the COVID-19 pandemic. See Special Notice Vol. 5 No. 57 - Extension to Alberta Corporate Income Tax Return (AT1) Filing Deadline (April 2, 2020), Special Notice Vol. 5 No. 56 – Deferral of Corporate Income Tax Payments (March 19, 2020), and the TRA's Changes due to COVID-19 webpage. Also, see COVID-19 support for employers and employees under “Education property tax deferral”, “WCB premium payment deferral”, “Utility payment deferral”, and “Tourism levy deferral”.
British Columbia	Per COVID-19 Action Plan - Provincial Tax Changes : It was first announced on March 23 that “Effective immediately”, BC is extending filing and payment deadlines for the following taxes until September 30, 2020: EHT; PST (including municipal and regional district tax); Carbon tax; Motor fuel tax; Tobacco tax. Also, the following tax changes announced in Budget 2020 will be postponed until further notice: eliminating the PST exemption for carbonated beverages that contain sugar, natural sweeteners or artificial sweeteners; expanded registration requirements for Canadian sellers of goods, along with Canadian and foreign sellers of software and telecommunication services. Also, carbon tax rates will remain at their current levels until further notice (the tax measure announced in Budget 2020 aligning the carbon tax rates with the federal carbon pricing backstop is also postponed until further notice). School tax rates for commercial properties (Classes 4, 5 and 6) will be reduced by 50% for the 2020 tax year. BC has also announced that the coming into effect of the transparency register requirements under the <i>BC Business Corporations Act</i> has been postponed from May 1 to October 1, 2020.
Manitoba	In an April 3, 2020 News Release , the province stated that it is “deferring provincial income tax and corporate income tax filing deadlines and payments to coincide with the current revised federal deferral of income tax to Aug. 31 and has indicated it would be willing to extend these deferrals until Oct. 1, should the federal government agree”. Furthermore, government will defer collection of the following payments: penalties and interest on late payments to Manitoba Hydro, Centra Gas, and Manitoba Public Insurance; interest on receivables owing from restaurants, bars and stores to Manitoba Liquor and Lotteries; interest on unpaid provincial

	<p>education taxes, school division fees and other municipal taxes. Per RST Notice 20-03: RST returns for businesses with monthly RST remittances of \$10K or less per month that would normally be due on April 20 and May 20 are now due on June 22, 2020. For businesses that file on a quarterly basis having a due date of April 20, the due date is extended to June 22, 2020. Businesses entitled to these extensions are also exempt from late-filing penalties and interest in respect of the March 20 filing if the business files before June 22, 2020. HE Notice 20-01: Health and Post Secondary Education Tax Levy (also known as HE Levy) returns for 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. See also News Release 2020-03-22: <i>Manitoba government extends tax payment filing deadlines for businesses</i>.</p>
Saskatchewan	<p>Per Information Bulletin 2020-03 (revised April 2, 2020): "Effective immediately, the following assistance is provided to Saskatchewan businesses that are unable to submit their PST returns due to cash flow concerns related to impacts of COVID-19: 1) Tax returns must still be filed each month/quarter (with or without payment) if you are able to do so; 2) Monthly filers may defer payment of amounts due for February, March and April 2020 reporting periods to July 31, 2020; 3) Quarterly filers may defer payment of amounts due for the January 1, 2020 to March 31, 2020 reporting period to July 31, 2020; 4) Businesses are not required to submit a request for relief from penalty and interest charges for these returns; 5) Full payment or a payment arrangement must be in place by July 31, 2020 in order to qualify for the automatic deferral and waiver of penalty and interest; 6) Payment arrangements may be made by submitting a request electronically through the Saskatchewan eTax Services (SETS) located at sets.saskatchewan.ca, or by contacting us by email at sasktaxinfo@gov.sk.ca or at the address noted below; 7) Relief is not provided in relation to other tax types at this time. Please note the easiest and quickest way to file most provincial tax returns is to use SETS located at sets.saskatchewan.ca and send payment electronically. At this time, audit program and compliance activities have been suspended to allow businesses time to focus on the health and safety of their customers and staff, reduce impacts to their business operations, and minimize the spread of the virus through reduced audit travel. For additional information regarding financial support for businesses (provincial and federal), and for other information related to COVID-19, please visit www.saskatchewan.ca/coronavirus".</p>
Nova Scotia	<p>The Government has deferred payments for all government loans and small business fees (including business renewal fees and workers compensation premiums) until June 30th; suspended payments on Nova Scotia student loans for six months (until September 30th); and deferred payments for small business renewal fees, including business registration renewal fees and workers compensation premiums, until June 30th. See Nova Scotia's webpage Support for individuals, families and businesses. Also, small businesses that do business with the government will be paid within five days instead of the standard 30 days.</p>
Newfoundland (see "Public Advisory:	<p>International Fuel Tax Agreement returns for the first quarter of 2020 (January 1 to March 31, 2020) due on April 30, 2020 from interjurisdictional carriers, under</p>

Changes Made to Tax Return Filing Deadlines and Remission of Interest and Penalties”, April 7, 2020 (Taxnet pro)	<p>section 8 of the <i>Revenue Administration Regulations</i>, are now due and payable on June 1, 2020. With the exception of tax returns required from interjurisdictional carriers, all other tax returns falling under the purview of the <i>Revenue Administration Act and Regulations</i>, which would otherwise be due March 20, 2020 to May 31, 2020, are now due June 23, 2020. The tax returns applicable to this extension include: 1) Gasoline Tax, 2) Carbon Tax, 3) Health and Post-Secondary Education Tax, 4) Insurance Companies Tax, 5) Mining and Mineral Rights Tax, 6) Tax on Insurance Premiums, 7) Tobacco Tax. For monthly filers, this means they will have the option to extend the filing and remittance of tax amounts for the February, March and April 2020 reporting periods to June 23, 2020. To continue to file during the extension period, taxpayers should submit tax returns via email to taxreturn@gov.nl.ca or fax to 709-729-2856. Taxpayers can email taxadmin@gov.nl.ca or call 709-729-6297 (toll free 1-877-729-6376) to set up electronic funds transfer, wire payment, or e-file payment options. If online options are not possible, taxpayers are asked to submit returns via mail or by utilizing the drop-off box located in the East Block, Confederation Building in St. John’s. If a taxpayer is prevented from making a payment when due, filing a return on time, or otherwise complying with a tax obligation, they can submit a written request to the Department of Finance, Tax Administration Division, to seek a remission of interest and penalties. Requests should validate how the taxpayer was prevented from complying with these requirements as a result of COVID-19 circumstances. These requests should be submitted by e-mailing to taxadmin@gov.nl.ca. Include “Remission Request (COVID-19)” as the subject line of the e-mail to help facilitate timely processing. All requests will be reviewed on a case-by-case basis. See also gov.nl.ca/covid-19.</p>
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Federal sources: See Canada.ca under “[Income tax filing and payment dates: CRA and COVID-19](#)”, CPACanada.ca under “[Federal government COVID-19 tax updates](#)”, and below under “COVID-19 Update: Additional measures from the Canada Revenue Agency (CRA Special Notice: March 27, 2020)” and “Finance Backgrounder 2020-03-27: Additional Support for Canadian Businesses from the Economic Impact of COVID-19”.

Summary of Additional Federal Business Tax Related Measures

• **Canada Emergency Response Benefit (CEWS):**

- *Background:* On March 27, the [government announced](#) a 75% wage subsidy for qualifying businesses, for up to 3 months, retroactive to March 15, 2020. Additional details/refinements were provided on [April 8, 2020](#) ([Government provides further flexibility for employers to access the Canada Emergency Wage Subsidy](#)). Subsequently, [Bill C-14](#) (*COVID-19 Emergency Response Act, No. 2*) was passed by the House of Commons and Senate and received Royal Assent as S.C. 2020, c. 6 on [April 11, 2020](#). It amends the *Income Tax Act* to enact the Canada Emergency Wage Subsidy. See the Finance [Backgrounder](#). Generally, the CEWS provides a 75% wage subsidy to eligible employers for up to 12 weeks, retroactive to March 15, 2020 (the program will be in place for a 12-week period, from March 15 to June 6, 2020 – or a prescribed period that ends no later than September 30, 2020). Per Finance,

“the CEWS prevents further job losses, encourages employers to re-hire workers previously laid off as a result of COVID-19, and help better position Canadian companies and other employers to more easily resume normal operations following the crisis”;

- *Eligible Employers (ITA 125.7(1)“qualifying entity” and “eligible entity”*: Eligible employers include individuals, taxable corporations, partnerships consisting of eligible employers, NPOs and registered charities that see a drop of at least 15% of their revenue in March 2020 and 30% for the following months (see ITA 125.7(1)“qualifying period” and “specified percentage”). Public bodies, including municipalities and local governments, Crown corporations, wholly owned municipal corporations, public universities, colleges, schools and hospitals, are not eligible for the subsidy (ITA 125.7(1)“public institution”). Finance has further stated that “to ensure that the [CERB] applies as intended, we are considering implementing an approach to limit duplication. This could include a process to allow individuals rehired by their employer during the same eligibility period to cancel their CERB claim and repay that amount”.
- *ITA 125.7(1)“qualifying revenue” & 125.7(4) and (6)*: An employer's qualifying revenue for the purpose of determining eligibility for the CEWS is its revenue in Canada earned from arm's-length sources (ITA 125.7(1)“qualifying revenue”(c) carves-out “amounts derived from persons or partnerships not dealing at arm's length with the eligible entity”. Revenue is calculated using the employer's normal accounting method but excludes revenues from extraordinary items (ITA 125.7(1)“qualifying revenue”(c)) and amounts on account of capital (the preamble to the definition refers to “the inflow of cash, receivables or other consideration arising in the course of the ordinary activities of the eligible entity — generally from the sale of goods, the rendering of services and the use by others of resources of the eligible entity — in Canada in the particular period, subject to [certain special rules/exclusions]” – furthermore, ITA 125.7(4) states that “the qualifying revenue of an eligible entity is to be determined in accordance with its normal accounting practices”, which according to Finance would exclude amounts on account of capital). Special rules for the computation of revenue are provided to take into account certain non-arm's length transactions, such as where an employer sells all of its output to a related company that in turn earns arm's length revenue (ITA 125.7(4)(d)). Also, affiliated groups are able to compute revenue on a consolidated basis (ITA 125.7(4)(a)-(c)). The amount of 10% wage subsidy received by the employer in a given month is ignored for the purpose of measuring year-over-year changes in monthly revenues (ITA 125.7(1)“qualifying revenue”(e)). Employers are permitted to calculate their revenues under the accrual method or the cash method, but not a combination of both (ITA 125.7(4)(e)). Employers must select an accounting method when first applying for the CEWS and use that method for the entire duration of the program. For registered charities and NPOs, the calculation includes most forms of revenue, excluding revenues from non-arm's length persons (ITA 125.7(1)“qualifying revenue”(a), (b), (d)). These organizations are allowed to choose whether or not to include revenue from government sources as part of the calculation (ITA 125.7(1)“qualifying revenue”(a)(ii), (b)(ii)). Once chosen, the same approach applies throughout the program period. All employers are permitted to calculate their change in revenue using an alternative benchmark to determine their eligibility (ITA 125.7(1)“qualifying entity”, “prior reference period” and “current reference period”). Per Finance, the alternative approach is intended to provides more flexibility to high-growth firms, sectors that faced difficulties in 2019, NPOs and charities, and employers established after February 2019. Under this approach, employers are allowed to compare their revenue using an average of their revenue earned in January and February 2020. Employers can select the general year-over-year approach or the alternative approach when first applying for the CEWS and are required to use the same approach for the entire duration of the program (ITA 125.7(1)“prior reference period”(b)). CEWS eligibility is

determined by the change in an eligible employer's monthly revenues, year-over-year, for the calendar month in which the period began (ITA 125.7(1)“qualifying entity”(c)(i)). **Once an employer is found eligible for an ITA 125.7(1)“qualifying period”, the employer automatically qualifies for the next period (ITA 125.7(9));**

- *Amount of Subsidy (ITA 125.7(2))*: The subsidy amount for a given employee on in respect of ITA 125.7(1)“eligible remuneration” paid for the period between March 15 and June 6, 2020 is the greater of: 1) 75% of the amount of remuneration paid, up to a maximum benefit of \$847 per week (125.7(2)A(a), which applies to arm’s length employees only), and 2) the amount of remuneration paid, up to a maximum benefit of \$847 per week or 75% of the employee's pre-crisis (ITA 125.7(1)“baseline remuneration”) weekly remuneration (ITA 125.7(2)A(b)), whichever is less. In other words, employers may be eligible for a subsidy of up to 100% of the first 75% of pre-crisis wages or salaries of existing employees (see also the avoidance rules in ITA 125.7(1)“eligible remuneration”(d)). Finance has stated that “[t]hese employers are expected where possible to maintain existing employees' pre-crisis employment earnings” (the legislation does not require this expectation to be met in order for an employer to receive the subsidy). There is no overall limit on the subsidy amount that an eligible employer may claim. The pre-crisis remuneration for a given employee is based on the average weekly remuneration paid between January 1 and March 15 inclusively, excluding any seven-day periods in respect of which the employee did not receive remuneration (ITA 125.7(1)“baseline remuneration”). Employers are also eligible for a subsidy of up to 75% of salaries and wages paid to new employees (ITA 125.7(1)“eligible employee”, (2)A(a)). Eligible remuneration includes salary, wages, and other remuneration such as taxable benefits, but does not include severance pay or stock option benefits (ITA 125.7(1)“eligible remuneration”(a), (b)). For employees that do not deal at arm's length with the employer, the subsidy amount is limited to the eligible remuneration paid in any pay period between March 15 and June 6, 2020, up to a maximum benefit of the lesser of \$847 per week and 75% of the employee's pre-crisis weekly remuneration (ITA 125.7(2)A(a)(iii), (b)). The subsidy is only available in respect of non-arm's length employees employed prior to March 15, 2020 (ITA 125.7(1)“baseline remuneration”);
- *Payment of Subsidy*: The CRA can pay the subsidy at any time after the beginning of a taxation year of a taxpayer in which an overpayment is deemed to have arisen under ITA 125.7(2) (ITA 164(1.6)). No interest is payable on any refund of any amount arising as a consequence of the operation of section 125.7 (ITA 164(3)). The CRA is permitted to publish the name of any person or partnership that makes an application under section 125.7 (ITA 241(3.5));
- *Refund of Certain Employer Payroll Contributions (ITA 125.7(2))*: As announced on April 8, employers may be eligible for a 100% refund for certain employer-paid contributions to EI, CPP, the QPP, and the QPIP. The refund covers 100% of employer-paid contributions for eligible employees for each week throughout which those employees are on leave with pay and for which the employer is eligible to claim for the CEWS for those employees. Generally, an employee is considered to be on leave with pay throughout a week if that employee is remunerated by the employer for that week but does not perform any work for the employer in that week. The refund is not be available for eligible employees that are on leave with pay for only a portion of a week. The refund is not subject to the weekly maximum benefit per employee of \$847 that an eligible employer may claim in respect of the CEWS (there is no overall limit on the refund amount that an eligible employer may claim). Employers are required to continue to collect and remit employer and employee contributions to each program in accordance with regular rules, and may then apply for a refund at the same time the employer applies for the CEWS;

- ITA 125.7(1)“eligible employee”: An eligible employee is an individual who is employed in Canada. Eligibility for the CEWS of an employee's remuneration is available to employees other than those who have been without remuneration for 14 or more consecutive days in the eligibility period, i.e., from March 15 to April 11, from April 12 to May 9, or from May 10 to June 6. This condition was enacted to replace a previously announced restriction that an employer would not be eligible to claim the CEWS for remuneration paid to an employee in a week that fell within a 4-week period for which the employee was eligible for the CERB;
- *Applying for Subsidy*: Eligible employers will be able to apply for the CEWS through the CRA's *My Business Account* portal. Finance has stated that employers are expected to keep records demonstrating their reduction in arm's-length revenues and remuneration paid to employees. At the time of writing, the Finance had stated “more details about the application process will be made available shortly”. Per ITA 125.7(1)“qualifying entity”(a), an application must be made before October 2020;
- *Penalties*: Penalty provisions and an anti-avoidance rules were added with the intention of ensuring “that the subsidy is not inappropriately obtained and to help ensure that employees are paid the amounts they are owed”. Employers that engage in “artificial transactions” to reduce revenue for the purpose of claiming the CEWS may be subject to a penalty equal to 25% of the value of the subsidy claimed, in addition to the requirement to repay in full the subsidy that was improperly claimed (see ITA 125.7(1)“eligible remuneration”(d), (6), 152(1)(b), 163(2)(i), (2.9), (2.901), 239);
- *Work-Sharing Program* (ITA 125.7(2)C): The maximum duration of the Work-Sharing program was extended from 38 weeks to 76 weeks for employers affected by COVID-19. For employers and employees that are participating in a Work-Sharing program, EI benefits received by employees through the Work-Sharing program reduce the benefit that their employer is entitled to receive under the CEWS.
- *Subsidy is Taxable* (ITA 9, 12(1)(x), 125.7(3)): The regular treatment of tax credits and other benefits provided by the government applies to the CEWS (i.e. the subsidy received by an employer is considered government assistance and must be included in the employer's taxable income). Also, assistance received under either wage subsidy reduces the amount of remuneration expenses eligible for other federal tax credits calculated on the same remuneration (see ITA 127(18)-(21));
- *How employers benefit from the CEWS*: Finance provided the following example: “Maude and Stéphane own a corporation that operates an automobile repair shop in Saint Boniface, Manitoba. They are working full time, each drawing a salary of \$1,300 per week, and have three part-time employees, each earning \$800 per week, for a total weekly payroll of \$5,000. Maude and Stéphane have reduced their opening hours due to decreased demand for their services. They had initially laid off their employees, but they have now decided to re-hire them following the announcement of the Canada Emergency Wage Subsidy. Their employees are not being asked to report to work during this challenging period. Maude and Stéphane are now keeping their employees on the payroll, paying them 75% of their pre-crisis salary (\$600 per week). Maude and Stéphane would be eligible for a weekly wage subsidy of \$3,494 (\$847 for each of themselves and \$600 for each of their employees). Maude and Stéphane would also be eligible for a 100-per-cent refund of their employer-paid contributions to Employment Insurance and the Canada Pension Plan in respect of their employees, providing an additional benefit of up to \$124 per week. At the end of each claiming period, Maude and Stéphane would submit an application through the Canada Revenue Agency portal, attesting that their decline in revenues in each month is sufficient to qualify, when compared to the average of January and February. They would also report the total remuneration paid to themselves and their furloughed employees during the month.

As Maude and Stéphane have access to direct deposits with the Canada Revenue Agency, they would receive their subsidy shortly after each application”;

- **Temporary Wage Subsidy** (ITA 153(1.02), (1.03), and (1.04)): A Temporary Wage Subsidy program has been made available for eligible employers (small CCPCs, NPOs, registered charities). No application is required, however, employers are responsible for calculating and making the appropriate reductions in withholdings. The subsidy permits employers to reduce income tax remittances by 10% of remuneration paid to employees between March 18 and June 20, 2020 to a maximum of \$1,375 per employee and \$25,000 per employer (an employer cannot reduce its required CPP or EI premiums). Finance has indicated that if the 10% subsidy is claimed, it will offset the Canada Emergency Wage Subsidy, such that the maximum subsidy an employer can receive is 75%. In certain cases, the 10% subsidy may be available where the *Canada Emergency Wage Subsidy* is not available. On April 1, the CRA released an FAQ stating: “You are an eligible employer if you are a(n): 1) individual (excluding trusts), partnership (see note below), non-profit organization, registered charity, or Canadian-controlled private corporation (including a cooperative corporation) eligible for the small business deduction; 2) have an existing business number and payroll program account with the CRA on March 18, 2020; and 3) pay salary, wages, bonuses, or other remuneration to an eligible employee”;
- **Trade Compliance**: On March 27, the Canada Border Services Agency (CBSA) **announced** that it would temporarily suspend trade compliance activity interaction with importers/exporters and their representatives until April 20, 2020 (all deadlines imposed in connection with a customs import verification will be automatically extended by a period of time equivalent to the period of suspension). The CBSA will continue to process duty drawback claims, applications for the duties relief program, and B2 requests for adjustments;
- **Suspension of Audits**: Originally announced on March 18, the CRA stated it would not contact any small or medium (SME) businesses to initiate any post assessment GST/HST or **Income Tax audits** “for the next four weeks”. During this period, no new audits are being launched, no requests for information related to existing audits are being made, no audits are being finalized and no reassessments should be issued. The Charities Directorate has suspended all operations, including registration and audit activities, until further notice;
- **Collection Activities**: Banks and employers do not need to comply or remit on existing **Requirements To Pay**. Also, collections activities on **new debts** are suspended;
- **Tax Services Offices and Tax Centres**: All drop boxes not located at the CRA's tax centres have been closed. The CRA has made various requests regarding correspondence, filing and payment procedures due to the circumstances surrounding COVID-19;
- **Continued CRA Services**: The CRA has stated that during the pandemic, it will continue “**expediting urgent taxpayer's requests for audit approval for refunds and credits**: Taxpayer requested reassessments, Scientific Research and Experimental Development (SR&ED), Waivers, Clearance certificates; Credits on account / refund returns”;
- **Objections**: The CRA has stated: “Objections related to Canadians' entitlement to benefits and credits have been identified as a critical service and will continue to be delivered during COVID-19. There should not be any delays with the processing of these objections. For objections related to other tax matters filed by individuals and businesses, the CRA is currently holding these accounts in abeyance. No collection action will be taken with respect to these accounts at this time”. For any objection request due March 18 or later, the deadline is effectively extended until June 30, 2020;

- **Rulings**: The CRA has stated that during the pandemic, it will continue to “support time-sensitive income tax ruling requests and technical interpretations”;
- ***Appeals to the CPP/EI Appeals Division***: Appeals in respect of decisions made by the CRA on pensionability issues under the CPP, and insurability issues under the EI Act, will only be progressed where such appeals related to cases where EI benefits are pending. Cases will be considered on a priority basis. Other appeals will be continued when normal service resumes but neither the CRA nor the MNR have indicated when this is expected to occur. If additional time to respond to a request is required, the MNR will exercise discretion on a case-by-case basis;
- ***Electronic Signatures***: As a *temporary* administrative measure, the CRA will recognize electronic signatures as having met the signature requirements in respect of Forms T183 and T183CORP.

Appendix

Compendium of Publications – Table of Contents

Federal

- **Canada's COVID-19 Economic Response Plan**
- The Canada Emergency Wage Subsidy
- Temporary 10% Wage Subsidy for Employers
- Backgrounder 2020-03-27: Additional Support for Canadian Businesses from the Economic Impact of COVID-19
- News Release 2020-03-27: Prime Minister announces support for small businesses facing impacts of COVID-19
- New Release 2020-03-25: The COVID-19 Emergency Response Act Receives Royal Assent
- Deferral of GST/HST Tax Remittances (COVID-19 Measures) (CRA FAQ)
- TEI Holds Call with Canada Department of Finance on March 30, 2020 Regarding COVID-19 Commodity Tax Issues
- COVID-19 Update: Additional measures from the Canada Revenue Agency (CRA Special Notice: March 27, 2020)
- Collections, audit, objections and appeals: CRA and COVID-19
- Tax-Filing and Payment Deadlines
- Tax Services Offices and Tax Centres ([Sending Returns, Correspondence and Payments to the CRA](#))
- Electronic Signatures
- Liaison Officer Service
- CRA National COVID-19 Business Continuity Plan
- Customs Notice 20-11
- Benefits, Credits, and Support for Individuals
 - *File Early if Possible (Per the CRA)*
 - *Canada Emergency Response Benefit*
 - *Employment Insurance*
 - *Goods and Services Tax credit (GSTC)*
 - *Canada Child Benefit (CCB) payment amounts*
 - *Registered Retirement Income Funds (RRIFs)*
 - *Mortgage Support*
 - *Support for people who need it most*
 - *Take advantage of the CRA's digital services*
 - *Community Volunteer Income Tax Program (CVITP)*
- Additional Sources

Ontario

Quebec

British Columbia

Alberta

Manitoba

Saskatchewan

Atlantic Provinces

Territories

Canada's COVID-19 Economic Response Plan

[Excerpts]

Support for businesses

Avoiding layoffs and rehiring employees

Canada Emergency Wage Subsidy... [See under the next major heading]

Extending the Work-Sharing program: We are extending the maximum duration of the Work-Sharing program from 38 weeks to 76 weeks for employers affected by COVID-19. This measure will provide income support to employees eligible for Employment Insurance who agree to reduce their normal working hours because of developments beyond the control of their employers.

Reduced and deferred payments

More time to pay income taxes: We are allowing all businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after March 18 and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the Income Tax Act. No interest or penalties will accumulate on these amounts during this period.

Deferral of Sales Tax Remittance and Customs Duty Payments until June: We are allowing businesses, including self-employed individuals, to defer until June 30, 2020 payments of the GST/HST, as well as customs duty owing on their imports. Any GST/HST payment that becomes owing from March 27 until the end of May can be deferred until the end of June. For GST and customs duty payments for imported goods, deferral will include amounts owing for March, April and May. These amounts were normally due to be submitted to the Canada Revenue Agency and the Canada Border Services Agency as early as the end of March 2020.

Access to credit

Establishing a Business Credit Availability Program: We established a Business Credit Availability Program (BCAP) to provide \$40 billion of additional support through the Business Development Bank of Canada (BDC) and Export Development Canada (EDC). BDC and EDC are working with private sector lenders to coordinate on credit solutions for individual businesses, including in sectors such as oil and gas, air transportation, exports and tourism. This program includes: 1) 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. [See also the following March 27 News Release.] 2) 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 mid-April, and interested businesses should work with their current financial institutions. [(See also Part 16 of the *COVID-19 Emergency Response Act*)].

Canada Emergency Business Account: The new 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. This program will roll out in mid-April, and interested businesses should work with their current financial institutions. [See also CPA Canada/the CTF, "[Summary of Outstanding COVID-19 Tax Issues](#)", April 8, 2020, under "General Technical & Administrative Issues"].

[Special] Support for [Certain] Industries

Increasing credit available for agriculture, fisheries and aquaculture: We have enabled [Farm Credit Canada](#) to provide an additional \$5 billion in lending to producers, agribusinesses, and food processors. This will offer increased flexibility to farmers who face cashflow issues and to processors who are impacted by lost sales, helping them remain financially sound during this difficult time. [See also <https://www.fcc-fac.ca/en/covid-19/program-details.html> and Part 14 of the *COVID-19 Emergency Response Act*].

[Support for airports](#): We are waiving ground lease rents from March 2020 through to December 2020 for the 21 airport authorities that pay rent to the federal government. We are also providing comparable treatment for PortsToronto, which operates Billy Bishop Toronto City Airport and pays a charge to the federal government. [See also [Government announces support for air transportation sector during COVID-19 pandemic](#) (March 30).

[Support for broadcasters](#): The Canadian Radio-television and Telecommunications Commission (CRTC) will not issue letters requesting payment for Part I licence fees by broadcasters for the 2020–21 fiscal year. We will provide the CRTC with an equivalent amount to the waived Part I licence fees to support CRTC's operations.

[Tourism: The Government has stated that "if you are a tourism operator, a small business or an organization affected by COVID-19 and need pressing assistance, the [regional development agencies](#) (RDAs) could assist you with access to federal funding and services".

See also Competition Bureau of Canada, "[Competition Bureau statement on competitor collaborations during the COVID-19 pandemic](#)", April 8.

Information for Businesses

See [Canada's international trade](#); [Canadian Business Resilience Network](#); and [COVID-19 Small Business Help Centre](#).

[The Government has also stated: "Canada and the United States are temporarily restricting all [non-essential travel](#) across our border. Essential travel will continue unimpeded to preserve supply chains between both countries and ensure that food, fuel and life-saving medicines reach people on both sides of the border. For questions or the most up-to-date information on cross-border travel and business, please call the [Canada Border Services Agency](#) at 1-800-461-9999. Canada is working with our international partners [to maintain open and connected supply chains](#) during the COVID-19 pandemic to ensure that Canadian businesses can continue to deliver essential goods to people that need them. The [Trade Commissioner Service](#) has experts in 160 cities worldwide who can provide small businesses with market-specific insights and guidance to help you mitigate the impacts of COVID-19, as well as [access to funding](#) to help you in global markets".]

Supporting Financial Stability

[Launching an Insured Mortgage Purchase Program](#): We launched an Insured Mortgage Purchase Program, in which we will purchase up to \$150 billion of insured mortgage pools through the Canada Mortgage and Housing Corporation. This action will provide long-term stable funding to banks and mortgage lenders, help facilitate continued lending to Canadian consumers and businesses, and add liquidity to Canada's mortgage market.

[Bank of Canada actions](#): The Bank of Canada is acting in several ways to support the economy and financial system and stands ready to take any and all actions that it can to protect the well-being of Canadians during this difficult time. The Bank has responded by lowering interest rates, intervening to support key financial markets and providing liquidity support for financial institutions.

[Office of the Superintendent of Financial Institutions actions](#): The Office of the Superintendent of Financial Institutions announced it is lowering the Domestic Stability Buffer by 1.25% of risk-weighted assets. This action will allow Canada's large banks to inject \$300 billion of additional lending in to the economy.

Support for Individuals

[Increasing the Canada Child Benefit](#): We are providing up to 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 CCB do not need to re-apply.

[Special Goods and Services Tax credit payment](#): We are providing a one-time special payment starting April 9 through the Goods and Services Tax credit for low- and modest-income families. The average additional benefit will be close to \$400 for single individuals and close to \$600 for couples. There is no need to apply for this payment. If you are eligible, you will get it automatically.

[Extra time to file income tax returns](#): The filing due date for 2019 income tax returns for individuals has been deferred until June 1, 2020. Any new income tax balances due, or instalments, are also being deferred until after August 31, 2020 without incurring interest or penalties. Note: If you expect to receive benefits under the Goods and Services Tax credit or the Canada Child Benefit, we encourage you not to delay filing your 2019 income tax return to ensure that your entitlements are properly determined.

[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. This includes permitting lenders to defer up to six monthly mortgage payments (interest and principal) for impacted borrowers. Canadians who are impacted by COVID-19 and experiencing financial hardship as a result should contact their financial institution regarding flexibility for a mortgage deferral. This gives flexibility to be available – when needed – to those who need it the most. You are encouraged to visit your bank's website for the latest information, rather than calling or visiting a branch. Contact your financial institution for further mortgage assistance. The Canada Mortgage and Housing Corporation and other mortgage insurers offer tools to lenders that can assist homeowners who may be experiencing financial difficulty. These include payment deferral, loan re-amortization, capitalization of outstanding interest arrears and other eligible expenses, and special payment arrangements. Canada's mortgage insurers are committed to providing homeowners with solutions to

mitigate temporary financial hardship related to COVID-19. This includes permitting lenders to defer up to six monthly mortgage payments (interest and principal) for impacted borrowers. Deferred payments are added to the outstanding principal balance and subsequently repaid throughout the life of the mortgage.

[Canada Emergency Response Benefit \(CERB\)](#): We will provide a taxable benefit of \$2,000 a month for up to 4 months to eligible workers who have lost their income due to COVID-19. A portal with a simple questions will help us direct you to the service option that best fits your situation (i.e. eligibility for Employment Insurance benefits or not). You can also apply over the phone: 1-800-959-2019 or 1-800-959-2041. [See also <https://www.canada.ca/en/employment-social-development/corporate/notices/coronavirus.html>]

[Reduced minimum withdrawals for Registered Retirement Income Funds](#): We reduced the required minimum withdrawals from Registered Retirement Income Funds (RRIFs) by 25 per cent for 2020.

Support for self-employed individuals: See [Canada Emergency Response Benefit \(CERB\)](#); [Deferral of Sales Tax Remittance and Customs Duty Payments until June](#); and [More time to pay income taxes](#).

Information for individuals: [Coronavirus disease \(COVID-19\); Benefits and Services; Changes to Canadian taxes and benefits](#); [Managing financial health in challenging times](#); [Indigenous communities](#); [COVID-19 fraud](#); [COVID-19 – A data perspective](#).

Support for Students and Recent Graduates

[Suspend repayment and interest on Canada Student Loans and Canada Apprentice Loans](#): All student loan borrowers will automatically have their loan repayments and interest suspended until September 30, 2020. Students do not need to apply for the repayment pause. This moratorium applies to the federal portion of student loans. Borrowers should check with their provincial or territorial student loan provider to see if payment is required on the provincial or territorial portion. [See Parts 13 and 15 of the *COVID-19 Emergency Response Act*.]

[Temporary Changes to Canada Summer Jobs program](#): The Canada Summer Jobs program provides opportunities for youth to develop and improve their skills within the not-for-profit, small business, and public sectors, and supports the delivery of key community services. We are making temporary changes to the Canada Summer Jobs program will allow for employers to: Receive an increased wage subsidy, so that private and public sector employers can also receive up to 100 per cent of the provincial or territorial minimum hourly wage for each employee; Extend the end date for employment to February 28, 2021; Adapt their projects and job activities; Hire staff on a part-time basis.

Special Measure for Indigenous peoples

[Indigenous Community Support Fund](#): We are providing \$305 million for a new distinctions-based Indigenous Community Support Fund to address immediate needs in First Nations, Inuit, and Métis Nation communities. These funds could be used for measures including, but not limited to: support for Elders and vulnerable community members, measures to address food insecurity, educational and other support for children, mental health assistance and emergency response services, preparedness measures to prevent the spread of COVID-19.

[Supporting preparedness in First Nations and Inuit communities](#): We are providing \$100 million to support a range of federal health measures, including support for preparedness in First Nation and Inuit communities. These funds will: respond to identified needs to update and activate pandemic plans, support an effective allocation of public health and primary health care capacity to respond to the COVID-19 outbreak, align response efforts with scientific evidence as determined by a medical officer of health, address immediate needs in the short term.

[Other]

Note that government has also: 1) [reduced the administrative burden](#) on businesses by extending the filing deadlines for returns for charities, trusts, partnerships and NR4 information; and 2) stated that Canadian banks have committed to work with their customers on a case-by-case basis to find solutions [to help manage COVID-19 hardships](#). The Canadian Federation of Independent Business is also [providing information](#) to help businesses. Also, see McCarthy Tétrault, [COVID-19: Economic relief measures announced to date](#).

The Government has requested that if “you are a business that can supply products and services in support of Canada's response to COVID-19, [Let us know](#)”.

The Canada Emergency Wage Subsidy (CEWS)

[Legislation](#)

The *Income Tax Act* is amended by adding the following after section 125.6:

125.7(1) The following definitions apply in this section and in subsection 163(2.901).

Definitions

“baseline remuneration”, in respect of an eligible employee of an eligible entity, means the average weekly eligible remuneration paid to the eligible employee by the eligible entity during the period that begins on January 1, 2020 and ends on March 15, 2020, excluding any period of seven or more consecutive days for which the employee was not remunerated.

“current reference period”, for a qualifying period, means

(a) for the qualifying period referred to in paragraph (a) of the definition qualifying period, March 2020;

- (b) for the qualifying period referred to in paragraph (b) of the definition qualifying period, April 2020;
- (c) for the qualifying period referred to in paragraph (c) of the definition qualifying period, May 2020; and
- (d) for the qualifying period referred to in paragraph (d) of the definition qualifying period, a prescribed period.

“eligible employee”, of an eligible entity in respect of a week in a qualifying period, means an individual employed in Canada by the eligible entity in the qualifying period, other than an individual who is without remuneration by the eligible entity in respect of 14 or more consecutive days in the qualifying period.

“eligible entity” means

- (a) a corporation, other than a corporation that is exempt from tax under [Part I] or is a public institution; (b) an individual;
- (b) a registered charity, other than a public institution;
- (c) a person that is exempt from tax under [Part I] because of paragraph 149(1)(e), (j), (k) or (l), other than a public institution;
- (d) a partnership, all of the members of which are described in this paragraph or any of paragraphs (a) to (d); or
- (e) a prescribed organization.

“eligible remuneration”, of an eligible employee of an eligible entity, means amounts described in paragraph 153(1)(a) or (g), other than

- (a) for greater certainty, a retiring allowance;
- (b) amounts deemed to have been received by the eligible employee as a benefit under or because of any of paragraphs 7(1)(a) to (d.1);
- (c) any amount received that can reasonably be expected to be paid or returned, directly or indirectly, in any manner whatever, to (i) the eligible entity, (ii) a person or partnership not dealing at arm’s length with the eligible entity, or (iii) another person or partnership at the direction of the eligible entity; and
- (d) any amount that is paid in respect of a week in the qualifying period, if, as part of an arrangement involving the eligible employee and the eligible entity, (i) the amount is in excess of the eligible employee’s baseline remuneration, (ii) after the qualifying period, the eligible employee is reasonably expected to be paid a lower weekly amount than their baseline remuneration, and (iii) one of the main purposes for the arrangement is to increase the amount of the deemed overpayment under subsection (2).

“prior reference period”, for a qualifying period of an eligible entity, means

- (a) subject to paragraph (b), (i) for the qualifying period referred to in paragraph (a) of the definition qualifying period, March 2019, (ii) for the qualifying period referred to in paragraph (b) of the definition qualifying period, April 2019, and (iii) for the qualifying period referred to in paragraph (c) of the definition qualifying period, May 2019;
- (b) January and February 2020, if (i) on March 1, 2019, the eligible entity was not carrying on business or otherwise carrying on its ordinary activities, or (ii) the qualifying period is referred to in any of paragraphs (a) to (c) of the definition qualifying period and the eligible entity elects for all of those paragraphs; and
- (c) for the qualifying period referred to in paragraph (d) of the definition qualifying period, a prescribed period.

“public institution” means

- (a) an organization described in any of paragraphs 149(1)(a) to (d.6); or
- (b) a school, school board, hospital, health authority, public university or college.

“qualifying entity”, for a qualifying period, means an eligible entity that meets the following conditions:

- (a) it files an application with the Minister in respect of the qualifying period in prescribed form and manner, before October 2020;
- (b) the individual who has principal responsibility for the financial activities of the eligible entity attests that the application is complete and accurate in all material respects;
- (c) its qualifying revenues for the current reference period are equal to or less than the specified percentage, for the qualifying period, of (i) if paragraph (a) or (c) of the definition prior reference period applies, its qualifying revenues for the prior reference period, and (ii) if paragraph (b) of the definition prior reference period applies, the amount determined by the formula $0.5A(B/C)$ where A is its qualifying revenues for the prior reference period, B is the number of days in the prior reference period, and C is the number of days in the prior reference period during which the eligible entity was carrying on business; and
- (d) it had, on March 15, 2020, a business number in respect of which it is registered with the Minister to make remittances required under section 153.

“qualifying period” means

- (a) the period that begins on March 15, 2020 and ends on April 11, 2020;
- (b) the period that begins on April 12, 2020 and ends on May 9, 2020;
- (c) the period that begins on May 10, 2020 and ends on June 6, 2020; or
- (d) a prescribed period that ends no later than September 30, 2020.

“qualifying revenue”, of an eligible entity for a prior reference period or a current reference period, means the inflow of cash, receivables or other consideration arising in the course of the ordinary activities of the eligible entity — generally from the sale of goods, the rendering of services and the use by others of resources of the eligible entity — in Canada in the particular period, subject to the following:

- (a) in the case of an eligible entity described in paragraph (c) of the definition eligible entity, (i) it includes revenue from a related business (as defined in subsection 149.1(1)), gifts and other amounts received in the course of its ordinary activities, and (ii) notwithstanding subparagraph (i), the eligible entity may elect to exclude funding received from government sources in the determination of its qualifying revenue for all of its prior reference periods and current reference periods;
- (b) in the case of an eligible entity described in paragraph (d) of the definition eligible entity, (i) it includes membership fees and other amounts received in the course of its ordinary activities, and (ii) notwithstanding subparagraph (i), the eligible entity may elect to exclude funding received from government sources in the determination of its qualifying revenue for all of its prior reference periods and current reference periods;
- (c) it excludes, for greater certainty, extraordinary items;
- (d) it excludes amounts derived from persons or partnerships not dealing at arm’s length with the eligible entity; and
- (e) it excludes, for greater certainty, deemed overpayments under subsection (2) and deemed remittances under subsection 153(1.02).

specified percentage, for a qualifying period, means

- (a) for the qualifying period referred to in paragraph (a) of the definition qualifying period, 85%;
- (b) for the qualifying period referred to in paragraph (b) or (c) of the definition qualifying period, 70%; and
- (c) for the qualifying period referred to in paragraph (d) of the definition qualifying period, the prescribed percentage.

Wage subsidy (2) For a qualifying entity for a qualifying period, an overpayment on account of the qualifying entity's liability under this Part for the taxation year in which the qualifying period ends is deemed to have arisen during the qualifying period in an amount determined by the formula $A - B - C + D$ where

- A is the total of all amounts, each of which is for an eligible employee in respect of a week in the qualifying period, equal to the greater of (a) the least of (i) 75% of eligible remuneration paid to the eligible employee in respect of that week, (ii) \$847, and (iii) if the eligible employee does not deal at arm's length with the qualifying entity in the qualifying period, nil, and (b) the least of (i) the amount of eligible remuneration paid to the eligible employee in respect of that week, (ii) 75% of baseline remuneration in respect of the eligible employee determined for that week, and (iii) \$847;
- B is the total of all amounts each of which is an amount deemed to have been remitted under subsection 153(1.02) by the qualifying entity in the qualifying period;
- C is the total of all amounts received by the eligible employee for each week in the qualifying period as a work-sharing benefit under the Employment Insurance Act; and
- D is the total of all amounts, each of which is for an eligible employee in respect of a week in the qualifying period, if the eligible employee is on leave with pay for that week and the amount is (a) an amount payable by the qualifying entity (i) as an employer's premium under the *Employment Insurance Act*, or (ii) as an employer's contribution under the *Canada Pension Plan* or under a provincial pension plan as defined in section 3 of the *Canada Pension Plan*, or (b) an amount payable by the qualifying entity as an employer's premium under the Act respecting parental insurance, CQLR, c. A-29.011.

When assistance received (3) For the purposes of this Act other than this section, and for greater certainty, the amount that a qualifying entity is deemed under subsection (2) to have overpaid is assistance received by it from a government immediately before the end of the qualifying period to which it relates.

Computation of revenue (4) For the purposes of the definition qualifying revenue in subsection (1), the qualifying revenue of an eligible entity is to be determined in accordance with its normal accounting practices, except that

- (a) if a group of eligible entities normally prepares consolidated financial statements, each member of the group may determine its qualifying revenue separately, provided every member of the group determines its qualifying revenue on that basis;
- (b) if an eligible entity and each member of an affiliated group of eligible entities of which the eligible entity is a member jointly elect, the qualifying revenue of the group determined on a consolidated basis in accordance with relevant accounting principles is to be used for each member of the group;
- (c) if all of the interests in an eligible entity are owned by participants in a joint venture and all or substantially all of the qualifying revenue of the eligible entity for a qualifying period is in respect of the joint venture, then the eligible entity may use the qualifying revenues of the joint venture (determined as if the joint venture were an eligible entity) instead of its qualifying revenues for the purposes of paragraph (c) of the definition qualifying entity in subsection (1);
- (d) if all or substantially all of an eligible entity's qualifying revenue — determined without reference to paragraph (d) of the definition qualifying revenue in subsection (1) — for a qualifying period is from one or more particular persons or partnerships with which it does not deal at arm's length and each particular person or partnership jointly elects with the eligible entity, for the purposes of paragraph (c) of the definition qualifying entity in subsection (1) (i) the eligible entity's qualifying revenue for the prior reference period is deemed to be \$100, and (ii) the eligible entity's qualifying revenue for the current reference period is deemed to be the total of all amounts, each of which is determined by the formula $\$100(A/B)(C/D)$ where

A is the eligible entity's qualifying revenue (determined without reference to paragraph (d) of the definition qualifying revenue in subsection (1)) for the current reference period attributable to a particular person or partnership,

B is the total of all amounts, each of which is the

eligible entity's qualifying revenue (determined without reference to paragraph (d) of the definition qualifying revenue in subsection (1)) for the current reference period attributable to a particular person or partnership,

C is the particular person or partnership's qualifying revenue (determined as if the definition

qualifying revenue in subsection (1) were read without reference to "in Canada") for the current reference period, and

D is the particular person or partnership's qualifying revenue (determined as if the definition

qualifying revenue in subsection (1) were read without reference to “in Canada”) for the prior reference period; and

- (e) an eligible entity may make an election, which must apply for all qualifying periods, to determine its revenues based on the cash method, within the meaning assigned by subsection 28(1) with any modifications that the circumstances require.

Deemed overpayment (5) For the purposes of this section,

- (a) the amount of any deemed overpayment by an eligible entity under subsection (2) in respect of a qualifying period cannot exceed the amount claimed by the qualifying entity — in the application referred to in paragraph (a) of the definition qualifying entity in subsection (1) — in respect of that qualifying period; and
- (a) if an eligible employee is employed in a week by two or more qualifying entities that do not deal with each other at arm’s length, the total amount of the deemed overpayment under subsection (2) in respect of the eligible employee for that week shall not exceed the amount that would arise if the eligible employee’s eligible remuneration for that week were paid by one qualifying entity.

Anti-avoidance — qualifying revenues (6) The qualifying revenue of an eligible entity for a current reference period for a qualifying period is deemed to be equal to the qualifying revenue of the eligible entity for the relevant prior reference period, if

- (a) the eligible entity, or a person or partnership not dealing at arm’s length with the eligible entity, enters into a transaction or participates in an event (or a series of transactions or events) or takes an action (or fails to take an action) — other than, for greater certainty, a decision under subparagraph (a)(ii) or (b)(ii) of the definition qualifying revenue in subsection (1) or the decision to use one of the methods of computing qualifying revenues under subsection (4) — that has the effect of reducing the qualifying revenues (determined without reference to this subsection) of the eligible entity for the current reference period; and
- (b) it is reasonable to conclude that one of the main purposes of the transaction, event, series or action in paragraph (a) is to cause an eligible entity to qualify for the deemed overpayment under subsection (2) in respect of that qualifying period.

Partnerships (7) A partnership is deemed

- (a) for the purposes of subsection (2) and subsection 160.1(1), to be a taxpayer; and
- (b) for the purposes of subsection (2), to have a liability under this Part for a taxation year in which a qualifying period ends.

Prescribed amounts (8) For any period referred to in paragraph (d) of the definition qualifying period in subsection (1), the following may be prescribed:

- (a) the percentages in subparagraphs (a)(i) and (b)(ii) of the description of A in subsection (2); and
- (b) the amounts in subparagraphs (a)(ii) and (b)(iii) of the description of A in subsection (2).

Deeming rule — current reference period (9) If, absent the application of this subsection, an eligible entity meets the conditions in paragraph (c) of the definition qualifying entity in subsection (1) in respect of a particular qualifying period, then the eligible entity is deemed to meet the conditions of that paragraph in respect of the immediately following qualifying period.

Paragraph 152(1)(b) of the Act is replaced by the following:

(b) the amount of tax, if any, deemed by subsection 120(2) or (2.2), 122.5(3) or (3.001), 122.51(2), 122.7(2) or (3), 122.8(4), 122.9(2), 122.91(1), 125.4(3), 125.5(3), 125.6(2), 125.7(2), 127.1(1), 127.41(3) or 210.2(3) or (4) to be paid on account of the taxpayer's tax payable under this Part for the year.

Subsection 163(2) of the Act is amended by striking out “and” at the end of paragraph (g), by adding “and” at the end of paragraph (h) and by adding the following after paragraph (h):

(i) the amount, if any, by which (i) the amount that would be deemed by subsection 125.7(2) to have been an overpayment by the person or partnership if that amount were calculated by reference to the information provided in the application filed pursuant to section 125.7 exceeds (ii) the amount that is deemed by that subsection to be an overpayment by the person or partnership.

Subsection 163(2.9) of the Act is replaced by the following:

Partnership liable to penalty (2.9) If a partnership is liable to a penalty under paragraph (2)(i), subsection (2.4) or (2.901) or section 163.2, 237.1 or 237.3, sections 152, 158 to 160.1, 161 and 164 to 167 and Division J apply, with any changes that the circumstances require, in respect of the penalty as if the partnership were a corporation.

Penalty — COVID-19 (2.901) Every eligible entity that is deemed by subsection 125.7(6) to have an amount of qualifying revenue — for a current reference period for a qualifying period — is liable to a penalty equal to 25% of the amount that would be deemed by subsection 125.7(2) to have been an overpayment by the eligible entity during that qualifying period if that amount were calculated by reference to the information provided in the application filed pursuant to paragraph (a) of the definition qualifying entity in subsection 125.7(1).

Section 164 of the Act is amended by adding the following after subsection (1.53):

COVID-19 refunds (1.6) Notwithstanding subsection (2.01), at any time after the beginning of a taxation year of a taxpayer in which an overpayment is deemed to have arisen under subsection 125.7(2), the Minister may refund to the taxpayer all or any part of the overpayment.

COVID-19 refunds — partnerships (1.61) For the purposes of subsection (1.6), references to a taxpayer include a partnership and the reference to a taxation year includes a fiscal period.

The portion of subsection 164(3) of the Act before paragraph (a) is replaced by the following:

Interest on refunds and repayments (3) If, under this section, an amount in respect of a taxation year (other than an amount, or a portion of the amount, that can reasonably be considered to arise from the operation of section 122.5, 122.61 or 125.7) is refunded or repaid to a taxpayer or applied to another liability of the taxpayer, the Minister shall pay or apply interest on it at the prescribed rate for the period that begins on the day that is the latest of the days referred to in the following paragraphs and that ends on the day on which the amount is refunded, repaid or applied:

Section 241 of the Act is amended by adding the following after subsection (3.4):

Information may be communicated (3.5) The Minister may communicate or otherwise make available to the public, in any manner that the Minister considers appropriate, the name of any person or partnership that makes an application under section 125.7.

Paragraph 241(4)(d) of the Act is amended by adding the following after subparagraph (vii.5):

(vii.6) to an official solely for the purposes of the administration and enforcement of the *Canada Emergency Response Benefit Act* or the evaluation or formulation of policy for that Act,

Payments out of Consolidated Revenue Fund

Consolidated Revenue Fund

For the purpose of subsection 164(1.6) of the *Income Tax Act*, the Minister of National Revenue

may make payments to a person or partnership out of the Consolidated Revenue Fund, at the times and in the manner that the Minister considers appropriate.

[Finance News Release 2020-04-11A: COVID-19 Emergency Response Act, No. 2 receives Royal Assent to help businesses keep Canadians in their jobs](#)

The Government of Canada is taking immediate, significant and decisive action to support Canadians and businesses facing hardship as a result of the COVID-19 global pandemic. The Canada Emergency Wage Subsidy is a key measure in the Government of [Canada's COVID-19 Economic Response Plan](#). It will provide a strong incentive for employers to pay employees who have been sent home for health and safety reasons or due to lack of work. It will enable employers to retain employees who are still on the payroll and to rehire workers previously laid off. With the CEWS program, families across Canada will be able to count on a steady income.

Today, Bill C-14, the *COVID-19 Emergency Response Act, No. 2*, received Royal Assent, bringing this measure into law. This legislation includes [additional flexibilities](#) announced on April 8, 2020, and refined as part of the legislative process. With these improvements, the Canada Emergency Wage Subsidy will provide effective support to those eligible employers that are hardest hit by the COVID-19 pandemic and will help protect the jobs Canadians depend on during these difficult times. The government continues to monitor all developments relating to the COVID-19 pandemic and will take further action as necessary to protect Canadians and the economy.

Quotes

“I want to thank my colleagues in the House of Commons, as well as Honourable Senators, for working quickly and cooperatively together to pass this vital legislation that will support Canadians during this critical time. The Canada Emergency Wage Subsidy will provide the needed support to help workers and businesses through this crisis and to position them to recover more quickly when it is over. The government will continue to do whatever it takes to support Canadians and the economy during this unprecedented global pandemic.”
Bill Morneau, Minister of Finance

“Today, all parties came together to pass the wage subsidy bill to support our country’s workers and employers. Canadians are better served when we work together.” *Pablo Rodriguez, Leader of the Government in the House of Commons*

[Finance News Release 2020-04-11B: Government Introduces COVID-19 Emergency Response Act, No. 2 to Help Businesses Keep Canadians in their Jobs](#)

The Government of Canada is taking immediate, significant and decisive action to support Canadians and businesses facing hardship as a result of the global COVID-19 outbreak. Today, Finance Minister Bill Morneau introduced in Parliament Bill C-14, the *COVID-19 Emergency Response Act, No. 2*, which, upon receiving Royal Assent, would bring this measure into law. The legislation introduced today includes [additional flexibilities](#) that would provide effective support to those eligible employers that are hardest hit by the COVID-19 pandemic and would help protect the jobs Canadians depend on during these difficult times. Taking action to protect a strong economy includes taking action to protect jobs. The proposed CEWS is a key measure in the Government of Canada’s [COVID-19 Economic Response Plan](#). It would provide a strong incentive for employers to pay employees who have been sent home for health and safety reasons or due to lack of work. It would enable employers to retain employees who are still on the payroll and to rehire workers previously laid off. With the CEWS program, families across Canada would be able to count on a steady income. The proposed CEWS would apply at a rate of 75% of the first \$58,700 earned by employees – representing a benefit of up to \$847 per week, per employee. The program would be in place for a 12-week period, from March 15 to June 6, 2020. Employers of all sizes and across all sectors of the economy would be eligible, with certain exceptions including public sector entities. Flexibility in the measurement of revenue for the purpose of applying the revenue decline test would also ensure more consistent access to the wage subsidy across impacted organizations, including newly created businesses and high-growth companies, as well as non-profit organizations and registered charities. An eligible employer’s entitlement to this wage subsidy would be based on the salary or wages actually paid to employees. All employers would be expected to at least make best efforts to bring employees’ wages to their pre-crisis levels.

Bill C-14 introduced today includes proposed improvements to the Canada Emergency Wage Subsidy that were announced in detail on April 8, 2020 and subsequently refined as part of the legislative process. These improvements include the following:

- To measure their revenue loss, it is proposed that employers compare their revenue of March, April and May 2020 to that of the same month of 2019 or, in order to provide added flexibility, to an average of their revenue earned in January and February 2020.
- For March, the government proposes to make the CEWS more accessible than originally announced by reducing this 30% benchmark to 15%, in recognition of the fact that many businesses did not begin to be affected by the crisis until partway through the month.
- To provide certainty for employers, the government is also proposing that once an employer is found eligible for a specific period, they would automatically qualify for the next period of the program. For example, an employer with a revenue drop of more than 15% in March would qualify for the first and second periods of the program, covering remuneration paid between March 15 and May 9. Similarly, an employer with a revenue drop of 30% in April would qualify for the second and third periods of the program, covering remuneration paid between May 10 to June 6.
- To recognize the challenges in measuring revenues of non-profit organizations and registered charities, it is proposed that they be allowed to choose whether or not to include government assistance in revenues for the purpose of applying the revenue decline test. Once chosen, the same approach would have to be maintained by the organization throughout the program period.
- It is also proposed that employers be allowed to measure revenues either on the basis of accrual accounting (as they are earned) or cash accounting (as they are received). Once chosen, the same accounting method would have to be used by the employer throughout the program period.
- It is also proposed that the CEWS provide an additional amount to compensate employers for their contributions to the Canada Pension Plan, Employment Insurance, Quebec Pension Plan and Quebec Parental Insurance Plan paid in respect of eligible employees who are on leave with pay due to COVID-19.

In order to maintain the integrity of the program and to ensure that it helps Canadians keep their jobs, the employer would be required to repay amounts paid under the CEWS if they do not meet the eligibility requirements. The government is also proposing a penalty of 25% of the CEWS received by an employer if the employer has engaged in transactions that artificially reduce the employer's revenue in order to qualify for the subsidy. As well, under existing provisions of the *Income Tax Act*, persons making, or participating in making, a false or deceptive statement could be prosecuted with a summary or indictable offence. Anyone found guilty could be sentenced to prison for up to 5 years. The government will continue to carefully monitor all developments relating to the COVID-19 outbreak and will continue to take further action to protect Canadians and the economy.

Quotes

"With the Canada Emergency Wage Subsidy, we are making sure to support Canadian businesses and Canadian workers through this crisis, ensuring they are well-positioned to recover quickly when the COVID-19 pandemic is over. We will continue to do whatever it takes to ensure Canadians are supported through the outbreak, and that our economy remains resilient during these difficult times." *Bill Morneau, Minister of Finance*

Department of Finance Canada Backgrounder (Revised April 11, 2020 – substantive changes from the April 8 version have been highlighted)

What It Means for Canadian Employers

To help employers keep and return workers to their payroll through the challenges posed by the COVID-19 pandemic, the Prime Minister, Justin Trudeau, announced the new Canada Emergency Wage Subsidy on March 27, 2020. This would provide a 75-per-cent wage subsidy to eligible employers for up to 12 weeks, retroactive to March 15, 2020. This wage subsidy aims to prevent further job losses, encourage employers to re-hire workers previously laid off as a result of COVID-19, and help better position Canadian companies and other employers to more easily resume normal operations following the crisis. While the Government has designed the proposed wage subsidy to provide generous and timely financial support to employers, it has done so with the expectation that employers will do their part by using the subsidy in a manner that supports the health and well-being of their employees.

Eligible Employers

Eligible employers would include individuals, taxable corporations, partnerships consisting of eligible employers, non-profit organizations and registered charities. Public bodies would not be eligible for this subsidy. Public bodies would generally include municipalities and local governments, Crown corporations, wholly owned municipal corporations, public universities, colleges, schools and hospitals. This subsidy would be available to eligible employers that see a drop of at least 15 per cent of their revenue in March 2020 and 30 per cent for the following months (see Eligible Periods). In applying for the subsidy, employers would be required to attest to the decline in revenue **[(ITA 125.7 “qualifying entity”(b))]**. We encourage all eligible employers to rehire employees as quickly as possible and to apply for the Canada Emergency Wage Subsidy if they are eligible. To ensure that the Canada Emergency Response Benefit (CERB) applies as intended, the Government will consider implementing an approach to limit duplication. This could include a process to allow individuals rehired by their employer during the same eligibility period to cancel their CERB claim and repay that amount.

Calculating Revenues

An employer’s revenue for this purpose would be its revenue in Canada earned from arm’s-length sources. Revenue would be calculated using the employer’s normal accounting method, and would exclude revenues from extraordinary items and amounts on account of capital. On April 8, 2020, the government clarified that employers would be allowed to calculate their revenues under the accrual method or the cash method, but not a combination of both. Employers would select an accounting method when first applying for the CEWS and would be required to use that method for the entire duration of the program. For registered charities and non-profit organizations, the calculation will include most forms of revenue, excluding revenues from non-arm’s length persons. These organizations would be allowed to choose whether or not to include revenue from government sources as part of the calculation. Once chosen, the same approach would have to apply throughout the program period.

Special rules for the computation of revenue would be provided to take into account certain non-arm's length transactions, such as where an employer sells all of its output to a related company that in turn earns arm's length revenue. As well, affiliated groups would be able to compute revenue on a consolidated basis.

Amount of Subsidy

The subsidy amount for a given employee on eligible remuneration paid for the period between March 15 and June 6, 2020 would be the greater of: 1) 75 per cent of the amount of remuneration paid, up to a maximum benefit of \$847 per week; and 2) the amount of remuneration paid, up to a maximum benefit of \$847 per week or 75 per cent of the employee's pre-crisis weekly remuneration, whichever is less. In effect, employers may be eligible for a subsidy of up to 100 per cent of the first 75 per cent of pre-crisis wages or salaries of existing employees. These employers would be expected where possible to maintain existing employees' pre-crisis employment earnings. The pre-crisis remuneration for a given employee would be based on the average weekly remuneration paid between January 1 and March 15 inclusively, excluding any seven-day periods in respect of which the employee did not receive remuneration. Employers will also be eligible for a subsidy of up to 75 per cent of salaries and wages paid to new employees.

Eligible remuneration may include salary, wages, and other remuneration like taxable benefits. These are amounts for which employers would generally be required to withhold or deduct amounts to remit to the Receiver General on account of the employee's income tax obligation. However, it does not include severance pay, or items such as stock option benefits or the personal use of a corporate vehicle.

A special rule will apply to employees that do not deal at arm's length with the employer. The subsidy amount for such employees will be limited to the eligible remuneration paid in any pay period between March 15 and June 6, 2020, up to a maximum benefit of the lesser of \$847 per week and 75 per cent of the employee's pre-crisis weekly remuneration. The subsidy would only be available in respect of non-arm's length employees employed prior to March 15, 2020.

There would be no overall limit on the subsidy amount that an eligible employer may claim.

Employers are expected to make their best effort to top-up employees' salaries to bring them to pre-crisis levels.

Refund for Certain Payroll Contributions

On April 8, 2020, the Government proposed to expand the CEWS by introducing a new 100 per cent refund for certain employer-paid contributions to Employment Insurance, the Canada Pension Plan, the Quebec Pension Plan, and the Quebec Parental Insurance Plan. This refund would cover 100 per cent of employer-paid contributions for eligible employees for each week throughout which those employees are on leave with pay and for which the employer is eligible to claim for the CEWS for those employees. In general, an employee will be considered to be on leave with pay throughout a week if that employee is remunerated by the employer for that week but does not perform any work for the employer in that week. This refund would not be available for eligible employees that are on leave with pay for only a portion of a week. This refund would not be subject to the weekly maximum benefit per employee of \$847 that an eligible employer may claim in respect of the CEWS. There would be no overall limit on the refund amount that an eligible employer may claim. For greater certainty, employers would be required to continue to collect and remit employer and employee contributions to each program as usual. Eligible employers would apply for a refund, as described above, at the same time that they apply for the CEWS.

Eligible Periods

Eligibility would generally be determined by the change in an eligible employer's monthly revenues, year-over-year, for the calendar month in which the period began. On April 8, 2020, the Government announced that all employers would be allowed to calculate their change in revenue using an alternative benchmark to determine their eligibility. This would provide more flexibility to employers for which the general approach may not be appropriate, including high-growth firms, sectors that faced difficulties in 2019, non-profits and charities, as well as employers established after February 2019. Under this alternative approach, employers would be allowed to compare their revenue using an average of their revenue earned in January and February 2020. Employers would select the general year-over-year approach or this alternative approach when first applying for the CEWS and would be required to use the same approach for the entire duration of the program. The Government is also announcing that, in order to provide certainty to employers, once an employer is found eligible for a specific period, the employer would automatically qualify for the next period.

- ABC Inc. is a start-up that started its operations last September. It reported revenues of \$100,000 in January and \$140,000 in February, for a monthly average of \$120,000. In March, its revenues dropped to \$90,000. Because revenues in March are 25 per cent lower than \$120,000, ABC inc. would be eligible for the CEWS for the first and second claiming period. To be eligible for the third claiming period, ABC Inc. revenues would have to be \$84,000 or less for the month of April or May (that is, 30 per cent lower than \$120,000).

The amount of wage subsidy (provided under the [COVID-19 Economic Response Plan](#)) received by the employer in a given month would be ignored for the purpose of measuring year-over-year changes in monthly revenues.

- For example, if revenues in March 2020 were down 20 per cent compared to March 2019, the employer would be allowed to claim the CEWS (as calculated above) on remuneration paid between March 15 and April 11, 2020, as well as between April 12 to May 9.
- Alternatively, this employer could use its average revenue from the months of January and February 2020, instead of March 2019, to determine if it is eligible for the CEWS.

Once an approach is chosen, the employer would have to apply it throughout the program period.

The table below outlines each claiming period, the required reduction in revenue and the reference period for eligibility.

	<i>Claiming period</i>	<i>Required reduction in revenue</i>	<i>Reference period for eligibility</i>
<i>Period 1</i>	March 15 to April 11	15%	March 2020 over: <ul style="list-style-type: none"> • March 2019 or • Average of January and February 2020
<i>Period 2</i>	April 12 to May 9	30%	Eligible for Period 1

			OR April 2020 over: <ul style="list-style-type: none"> • April 2019 or • Average of January and February 2020
<i>Period 3</i>	May 10 to June 6	30%	Eligible for Period 2 OR May 2020 over: <ul style="list-style-type: none"> • May 2019 or • Average of January and February 2020

Eligible employees

An eligible employee is an individual who is employed in Canada. Eligibility for the CEWS of an employee's remuneration **will be available to employees other than those who** have been without remuneration for 14 or more consecutive days in the eligibility period, i.e., from March 15 to April 11, from April 12 to May 9, or from May 10 to June 6 [formerly read: "will be limited to employees that have been without remuneration..."]. This rule replaces the previously announced restriction that an employer would not be eligible to claim the CEWS for remuneration paid to an employee in a week that falls within a 4-week period for which the employee is eligible for the Canadian Emergency Response Benefit.

How to Apply

Eligible employers would be able to apply for the CEWS through the Canada Revenue Agency's My Business Account portal as well as a web-based application. Employers would have to keep records demonstrating their reduction in arm's-length revenues and remuneration paid to employees. More details about the application process will be made available shortly.

Ensuring Compliance

In order to maintain the integrity of the program and to ensure that it helps Canadians keep their jobs, the employer would be required to repay amounts paid under the CEWS if they do not meet the eligibility requirements. Penalties may apply in cases of fraudulent claims. The penalties may include fines or even imprisonment. In addition, anti-abuse rules would be put in place to ensure that the subsidy is not inappropriately obtained and to help ensure that employees are paid the amounts they are owed. Employers that engage in artificial transactions to reduce revenue for the purpose of claiming the CEWS would be subject

to a penalty equal to 25 per cent of the value of the subsidy claimed, in addition to the requirement to repay in full the subsidy that was improperly claimed.

Interaction with 10 per cent Wage Subsidy

On March 25, 2020, the *COVID-19 Emergency Response Act*, which included the implementation of a temporary 10 per cent wage subsidy, received Royal Assent. For employers that are eligible for both the CEWS and the 10 per cent wage subsidy for a period, any benefit from the 10 per cent wage subsidy for remuneration paid in a specific period would generally reduce the amount available to be claimed under the CEWS in that same period.

Interaction with the Work-Sharing Program

On March 18, 2020, the Prime Minister announced an extension of the maximum duration of the [Work-Sharing program](#) from 38 weeks to 76 weeks for employers affected by COVID-19. This measure will provide income support to employees eligible for Employment Insurance who agree to reduce their normal working hours because of developments beyond the control of their employers. For employers and employees that are participating in a Work-Sharing program, EI benefits received by employees through the Work-Sharing program will reduce the benefit that their employer is entitled to receive under the CEWS.

Government Assistance

The usual treatment of tax credits and other benefits provided by the government would apply. As a consequence, the wage subsidy received by an employer would be considered government assistance and be included in the employer's taxable income. Assistance received under either wage subsidy would reduce the amount of remuneration expenses eligible for other federal tax credits calculated on the same remuneration.

How employers will benefit from the CEWS

Maude and Stéphane own a corporation that operates an automobile repair shop in Saint Boniface, Manitoba. They are working full time, each drawing a salary of \$1,300 per week, and have three part-time employees, each earning \$800 per week, for a total weekly payroll of \$5,000. Maude and Stéphane have reduced their opening hours due to decreased demand for their services. They had initially laid off their employees, but they have now decided to re-hire them following the announcement of the Canada Emergency Wage Subsidy. Their employees are not being asked to report to work during this challenging period.

Maude and Stéphane are now keeping their employees on the payroll, paying them 75 per cent of their pre-crisis salary (\$600 per week). Maude and Stéphane would be eligible for a weekly wage subsidy of \$3,494 (\$847 for each of themselves and \$600 for each of their employees). Maude and Stéphane would also be eligible for a 100-per-cent refund of their employer-paid contributions to Employment Insurance and the Canada Pension Plan in respect of their employees, providing an additional benefit of up to \$124 per week.

At the end of each claiming period, Maude and Stéphane would submit an application through the Canada Revenue Agency portal, attesting that their decline in revenues in each month is sufficient to qualify, when compared to the average of January and February. They would also report the total remuneration paid to

themselves and their furloughed employees during the month. As Maude and Stéphane have access to direct deposits with the Canada Revenue Agency, they would receive their subsidy shortly after each application.

Canada's COVID-19 Economic Response Plan— Cost and Implementation

These measures are part of the Government of Canada's COVID-19 Economic Response Plan - a comprehensive plan to help ensure that Canadians can pay for essentials like mortgages, rent and groceries, and to help employers continue to pay their employees and their bills during this time of uncertainty.

Protecting Health and Safety

	<i>2020-2021 Impact</i>
COVID-19 Response Fund (including \$500 million in support for Provinces and Territories (2019-2020))	\$1.1 billion
Funding for Personal Protective Equipment and Supplies (of which, \$200 million in 2019-20)	\$2 billion
Total – Protecting Health and Safety	\$3 billion
Direct Support Measures	
Canada Emergency Response Benefit	\$24 billion
Enhanced GST Credit	\$5.5 billion
Enhanced Canada Child Benefit	\$1.9 billion
Temporary Business Wage Subsidy	\$975 million
Canada Emergency Wage Subsidy	\$73 billion
Canada Student Loan Payments	\$190 million
Support for Indigenous Communities	\$305 million
Support for the homeless (through Reaching Home)	\$157.5 million
Support for women's shelters and sexual assault centres, including for facilities in Indigenous communities	\$50 million
Support for Seniors (of which, \$9M in 2019-20), Children and Youth	\$16.5 million
Support for Food Banks and Local Food Organizations (of which, \$25M in 2019-20)	\$100 million
Lower RRIF Minimum Withdrawal	\$495 million
Support for the Air Transportation Sector	\$331.4 million
Total – Direct Support Measures	<i>\$107 billion</i>
Liquidity Support	
CRA/CBSA liquidity support to businesses and individuals	
Income Tax Payment Deferral until September	\$55 billion
Sales Tax Remittance and Customs Duty Payments Deferral	\$30 billion
Total – CRA/CBSA liquidity support	<i>\$85 billion</i>
Business Credit Availability Program (BCAP) (through BDC and EDC)	
Small and Medium-sized Enterprise Loan and Guarantee program	\$40 billion
Canada Emergency Business Account	\$25 billion

Protecting Health and Safety

	2020-2021 Impact
Credit and liquidity support for the Agricultural Sector	\$5.2 billion
Credit and liquidity support through the Bank of Canada, OSFI, CMHC and commercial lenders	\$500 billion +
<i>Total – BCAP, other credit and liquidity support</i>	<i>\$570 billion +</i>

[Finance News Release 2020-04-08: Government provides further flexibility for employers to access the Canada Emergency Wage Subsidy](#)

The Government of Canada is taking immediate, significant and decisive action to support Canadians and employers facing hardship as a result of the global COVID-19 outbreak. Today, Finance Minister Bill Morneau provided further details on the eligibility criteria for businesses to access the Canada Emergency Wage Subsidy (CEWS). These details will ensure that the proposed CEWS meets the government's objective to support the employers that are hardest hit by the COVID-19 pandemic and protect the jobs Canadians depend on during these difficult times. The proposed CEWS would provide a strong incentive for employers to pay employees who have been sent home for health and safety reasons or due to lack of work. It would also enable employers to retain employees who are still on the payroll and rehire workers who have been previously laid off.

The proposed CEWS would apply at a rate of 75 per cent of the first \$58,700 normally earned by employees – representing a benefit of up to \$847 per week, per employee. The program would be in place for a 12-week period, from March 15 to June 6, 2020. Employers of all sizes and across all sectors of the economy would be eligible, with certain exceptions including public sector entities. An eligible employer's entitlement to this wage subsidy will be based entirely on the salary or wages actually paid to employees. All employers would be expected to make best efforts to bring employees' wages to their pre-crisis levels.

As well, the Government is proposing that employers eligible for the CEWS be entitled to receive a 100-per-cent refund for certain employer-paid contributions to Employment Insurance, the Canada Pension Plan, the Quebec Pension Plan, and the Quebec Parental Insurance Plan. This refund would apply to the entire amount of employer-paid contributions in respect of remuneration paid to furloughed employees in a period where the employer is eligible for the CEWS. This will make it easy and cost effective for employers to rehire people previously laid off.

In order to address the realities faced by the not-for-profit sector, high growth companies and new businesses, the Government proposes the following additional flexibility:

- To measure their revenue loss, it is proposed that all employers have the flexibility to compare their revenue of March, April and May 2020 to that of the same month of 2019, or to an average of their revenue earned in January and February 2020.
- For March, the Government proposes to make the CEWS more accessible than originally announced by reducing the 30-per-cent benchmark to 15 per cent, in recognition of the fact that many businesses did not begin to be affected by the crisis until partway through the month.

- In recognition that the time between when revenue is earned and when it is paid could be highly variable in certain sectors of the economy, it is proposed that employers be allowed to measure revenues either on the basis of accrual accounting (as they are earned) or cash accounting (as they are received). Special rules would also be provided to address issues for corporate groups, non-arm's length entities and joint ventures [ITA 125.7(4)].
- Registered charities and non-profit organizations would also be able to benefit from the additional flexibilities being provided to employers with respect to the revenue loss calculation. In addition, to recognize that different types of organizations are experiencing different types of funding pressures, it is proposed that charities and non-profit organizations be allowed to choose to include or exclude government funding in their revenues for the purpose of applying the revenue reduction test [125.7(1) "qualifying revenue"].

The government will continue to carefully monitor all developments relating to the COVID-19 outbreak and will continue to take further action to protect Canadians and the economy.

Quotes

"The government will continue to do whatever it takes to support Canadians and the economy during this very difficult time. The Canada Emergency Wage Subsidy is one of the tools we have proposed to help businesses and workers. We are listening to the feedback that Canadians and the business community have provided and will make sure this subsidy serves the needs of Canadians."

Bill Morneau, Minister of Finance

"We've heard the voices of small business owners and employers from across the country. These enhancements to the Canada Emergency Wage Subsidy will mean more flexibility and support for start-ups, high-growth companies, and non-profit organisations. We continue to listen, and we'll be there for Canadian businesses every step of the way through this unprecedented challenge."

Mary Ng, Minister of Small Business, Export Promotion and International Trade

"Our government is working as quickly as possible to help support our Canadian businesses and workers. This increased flexibility for employers to access the Canada Emergency Wage Subsidy will help Canadians keep their jobs, so they can continue to pay their bills and feed their families. We know these are trying times. We will continue to listen and take action to make sure we make it through, together."

See Also

CPA Canada/the CTF, [Canada Emergency Wage Subsidy Feedback](#), April 6, 2020 (CPA Canada, in conjunction with the CTF, documented many inquiries about the CEWS received from members of each organization and forwarded the feedback to the federal government – at time of writing, responses from the government are pending) and "[Summary of Outstanding COVID-19 Tax Issues](#)", April 8, 2020; Fasken, "Early Details on the Canada Emergency Wage Subsidy", *Tax Bulletin*, April 2, 2020 (available on Taxnet Pro), KPMG, "[Employers — Canada Eases Access to 75% Wage Subsidy](#)", *TaxNewsFlash-Canada*, [No. 2020-38](#), April 8, 2020, [CFIB statement on Canada Emergency Wage Subsidy details](#), and [Prime Minister's remarks updating Canadians on the rollout of the Canada Emergency Response Benefit](#).

Temporary 10% Wage Subsidy for Employers

Per Finance News Release 2020-03-25

Providing small business with wage subsidies: We are providing eligible small employers a temporary wage subsidy for a period of three months. The subsidy will be equal to 10% of remuneration paid during that period, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. Businesses will be able to benefit immediately from this support by reducing their remittances of income tax withheld on their employees' remuneration.

CRA – “Frequently Asked Questions – Temporary Wage Subsidy for Employers”

1. What is the Temporary Wage Subsidy for Employers?

The Temporary Wage Subsidy for Employers is a three-month measure that will allow eligible employers to reduce the amount of payroll deductions required to be remitted to the Canada Revenue Agency (CRA).

2. Which employers are eligible?

You are an eligible employer if you are a(n): 1) individual (excluding trusts), partnership (see note below), non-profit organization, registered charity, or Canadian-controlled private corporation (including a cooperative corporation) eligible for the small business deduction; 2) have an existing business number and payroll program account with the CRA on March 18, 2020; and 3) pay salary, wages, bonuses, or other remuneration to an eligible employee.

An eligible employee is an individual who is employed in Canada.

Note: Partnerships are only eligible for the subsidy if their members consist exclusively of individuals (excluding trusts), registered charities, or Canadian-controlled private corporations (CCPCs) eligible for the small business deduction.

For more information on whether your corporation is a CCPC, see Type of Corporation.

For more information on whether your CCPC is eligible for the small business deduction, see Small Business Deduction in the T2 Corporation Income Tax Guide. [See also CPA Canada/the CTF, “[Summary of Outstanding COVID-19 Tax Issues](#)”, April 8, 2020, under “Temporary Wage Subsidy and CCPCs”.]

3. How much is the subsidy?

The subsidy is equal to 10% of the remuneration you pay from March 18, 2020 to June 19, 2020, up to \$1,375 for each eligible employee and to a maximum of \$25,000 total per employer.

Note: Associated CCPCs will not be required to share the maximum subsidy of \$25,000 per employer.

4. How do I calculate the subsidy?

The subsidy must be calculated manually, either by you or whoever is responsible for making your payroll remittances. The CRA will not automatically calculate the allowable subsidy.

Note: Your subsidy calculation is based on the total number of eligible employees employed at any time during the three-month period. See the examples below for more information.

Example 1

You have 5 eligible employees earning monthly salaries of \$4,100 for a total monthly payroll of \$20,500. Your wage subsidy for the month will be 10% of \$20,500, or \$2,050.

For the three-month period, if all your payroll information remains the same in each month, you will pay \$61,500 of remuneration. Therefore, 10% of the remuneration you pay in the three-month period is \$6,150.

Since this amount is below the maximum allowable amount of \$6,875 ($\$1,375 \times 5$ employees), your total wage subsidy for the three-month period will be \$6,150.

Example 2

You have 8 eligible employees earning monthly salaries of \$4,750 for a total monthly payroll of \$38,000. Your wage subsidy for the month will be 10% of \$38,000, or \$3,800.

For the three-month period, if all your payroll information remains the same in each month, you will pay \$114,000 of remuneration. Therefore, 10% of the remuneration you pay in the three-month period is \$11,400.

Since this amount is above the maximum allowable amount of \$11,000 ($\$1,375 \times 8$ employees), your total wage subsidy for the three-month period will be capped at \$11,000.

Example 3

You have 5 eligible employees earning monthly salaries of \$4,100 for a total monthly payroll of \$20,500. Your wage subsidy for the month will be 10% of \$20,500, or \$2,050.

In the second month, you have 7 eligible employees earning monthly salaries of \$4,100 for a total monthly payroll of \$28,700. Your wage subsidy for the second month will be 10% of \$28,700, or \$2,870.

In the third month, you also have 7 eligible employees earning monthly salaries of \$4,100 for a total monthly payroll of \$28,700. Your wage subsidy for the third month will be 10% of \$28,700, or \$2,870.

For the three-month period, you will pay \$77,900 of remuneration. Therefore, 10% of the remuneration you pay in the three-month period is \$7,790.

Since this amount is below the maximum allowable amount of \$9,625 ($\$1,375 \times 7$ employees), your total wage subsidy for the three-month period will be \$7,790.

5. How will I receive the subsidy?

You do not need to apply for the subsidy.

You will continue deducting income tax, Canada Pension Plan (CPP) contributions, and Employment Insurance (EI) premiums from salary, wages, bonuses, or other remuneration paid to your employees, as you currently do.

The subsidy is calculated when you remit these amounts to the CRA.

Once you have calculated your subsidy, you can reduce your current payroll remittance of federal, provincial, or territorial income tax that you send to the CRA by the amount of the subsidy.

Important

You cannot reduce your remittance of CPP contributions or EI premiums. You must continue remitting the CPP contributions and EI premiums that you deducted from your employees, as well as your share of CPP contributions and EI premiums, to the CRA.

For example, if you deducted \$2,500 of income tax from your employees' pay and calculated a subsidy of \$2,050, you would reduce your current payroll remittance of federal, provincial, or territorial income tax by \$2,050. You would remit \$450 of income tax to the CRA. The remaining \$2,050 that you keep would represent your subsidy.

You could continue reducing the income tax on future payroll remittances, up to \$1,375 for each eligible employee and to a maximum of \$25,000 total per employer, for all remuneration paid on or before June 19, 2020.

6. When can I start reducing payroll remittances?

You can start reducing payroll remittances of federal, provincial, or territorial income tax in the first remittance period that includes remuneration paid from March 18, 2020 to June 19, 2020.

Note: Payroll remittances are not subject to deferral as part of the tax measures to help support those affected by the COVID-19 outbreak. You must continue remitting payroll deductions by your remittance due date.

For example, if you are a regular remitter, you can reduce your payroll remittance that is due to the CRA on April 15, 2020.

7. Where subsidies exceed payroll remittances

If the income taxes you deduct are not sufficient to offset the value of the subsidy in a specific period, you can reduce future payroll remittances to benefit from the subsidy. This includes reducing remittances that may fall outside of the application period for the wage subsidy (after June 19, 2020).

For example, if you calculated a subsidy of \$2,050 on remuneration paid from March 18, 2020 to June 19, 2020, but only deducted \$1,050 of federal, provincial, or territorial income tax from your employees, you can

reduce a future payroll remittance by \$1,000, even if that remittance is in respect to remuneration paid after June 19, 2020.

8. What if I don't reduce payroll remittances during the year?

If you are an eligible employer, but choose not to reduce your payroll remittances during the year, you can still calculate the Temporary Wage Subsidy on remuneration paid from March 18, 2020 to June 19, 2020. At the end of the year, the CRA will pay the amount to you or transfer it to your next year's remittance.

9. What books and records do I need to support the subsidy?

You will need to keep information to support your subsidy calculation. This includes:

the total remuneration paid from March 18, 2020 to June 19, 2020;

the federal, provincial, or territorial income tax that was deducted from that remuneration; and

the number of eligible employees paid in that period.

The CRA is currently updating reporting requirements. More information on how to report this subsidy will be released in the near future.

10. Is the subsidy considered taxable income?

Yes. If you receive the subsidy, you have to report the total amount as income in the year in which the subsidy is received.

11. What if my business is closed?

If you did not pay salary, wages, bonuses, or other remuneration to an eligible employee from March 18, 2020 to June 19, 2020, you cannot receive the subsidy, even if you are an eligible employer.

12. What about payroll remittances made to Revenu Québec

This Temporary Wage Subsidy for Employers allows eligible employers to reduce payroll remittances made to the CRA only.

13. What if I pay tax-exempt remuneration?

If you pay tax-exempt salary, wages, bonuses, or other remuneration to an eligible employee, you can still calculate the Temporary Wage Subsidy on remuneration paid from March 18, 2020 to June 19, 2020. At the end of the year, the CRA will pay the amount to you.

COVID-19 Emergency Response Act

PART 1

Subsection 6 (1)

Section 153 of the Act is amended by adding the following after subsection (1.01):

(1.02) For the purposes of this Act, if an eligible employer pays, at a particular time that is within the eligible period, eligible remuneration in respect of which a particular amount is required to be deducted or withheld under subsection (1), then the eligible employer is deemed to have remitted to the Receiver General at the particular time in respect of the particular amount, an amount equal to the least of

(a) the amount determined by the formula $A - B$ where

A is the prescribed amount, and

B is the total of all amounts, each of which is an amount deemed to have been remitted by the eligible employer under this subsection prior to the particular time (and, if more than one such payment is made at the particular time, the eligible employer may designate the order in which the amounts are considered to have been paid),

(b) the amount determined by the formula $C \times D$ where

C is the prescribed percentage, and

D is the amount of the eligible remuneration, and

(c) the amount determined by the formula $E \times F$ where

E is the prescribed amount, and

F is the total number of eligible employees employed by the eligible employer during the eligible period.

Definitions — subsection (1.02)

(1.03) The following definitions apply for the purposes of this subsection and subsection (1.02).

“eligible employee” means an individual who is employed in Canada.

“eligible employer” means a person or partnership that

(a) employs one or more eligible employees;

(b) has, on March 18, 2020, a business number in respect of which the person or partnership is registered with the Minister to make remittances required under this section; and

(c) is any of

(i) a Canadian-controlled private corporation for the purposes of section 125 that (A) would have a business limit for its last taxation year that ended before the start of the eligible period greater than nil, if the amount determined for paragraph 125(5.1)(b) were deemed to be nil, or (B) if the corporation does not have a taxation year that ended before the start of the eligible period, would meet the condition in clause (A) if its taxation year ended immediately before the start of the eligible period,

(ii) an individual (other than a trust),

(iii) a partnership, all of the members of which are described in subparagraphs (i) to (iii) or (v),

(iv) a person exempt from tax under Part I because of paragraph 149(1)(l), and

(v) a registered charity.

“eligible period” means the period beginning on March 18, 2020 and that ends on June 19, 2020.

“eligible remuneration” means salary, wages or other remuneration paid to an eligible employee during the eligible period.

Deemed remittances under subsection (1.02)

(1.04) For greater certainty, amounts deemed under subsection (1.02) to have been remitted to the Receiver General are deemed to not be held in trust under subsections 227(4) and (4.1).

[Presumably, the prescribed amount and prescribed percentage will correspond with the amounts described below and will be added shortly to the ITR]

Finance Backgrounder 2020-03-27: Additional Support for Canadian Businesses from the Economic Impact of COVID-19

The Government of Canada is making additional investments to support Canadian businesses from the economic impacts of COVID-19. These new investments provide support to financial institutions and allow them to quickly provide credit and liquidity options for a range of businesses. These measures are a part of the Government of Canada's [COVID-19 Economic Response Plan](#), which provides direct support and tax deferrals to Canadian workers and businesses to help them in these difficult times.

Deferral of Sales Tax Remittance and Customs Duty Payments

In order to provide support for Canadian businesses during these unprecedented economic times, the Government is deferring Goods and Services Tax/Harmonized Sales Tax (GST/HST) remittances and customs duty payments to June 30, 2020. This measure could provide up to \$30 billion in cash flow or liquidity assistance for Canadian businesses and self-employed individuals over the next three months

GST/HST Remittance Deferral

The GST/HST applies to sales of most goods and services in Canada and at each stage of the supply chain. Vendors must collect the GST/HST and remit it (net of input tax credits) with their GST/HST return for each reporting period. Vendors with annual sales of more than \$6 million remit and report monthly, and those with annual sales of \$1.5 million to \$6 million are able to remit and report on a quarterly basis (or monthly if they choose to). Small vendors can report annually. The GST/HST amounts collected are generally due by the end of the month following the vendor's reporting period: e.g., for a monthly filer, the GST/HST amounts collected on its February sales are due by the end of March. To support Canadian businesses in the current extraordinary circumstances, the Minister of National Revenue will extend until June 30, 2020 the time that: 1) Monthly filers have to remit amounts collected for the February, March and April 2020 reporting periods; 2) Quarterly filers have to remit amounts collected for the January 1, 2020 through March 31, 2020 reporting period; and 3) Annual filers, whose GST/HST return or instalment are due in March, April or May 2020, have to remit amounts collected and owing for their previous fiscal year and instalments of GST/HST in respect of the filer's current fiscal year. Businesses in need of information about their particular obligations may contact the Canada Revenue Agency or refer to its website. [See also see also KPMG, "[COVID-19 — CRA & Quebec Offer GST/HST and QST Relief](#)", *TaxNewsFlash Canada*, No. 2020-36, April 2, 2020.]

Deferral of Customs Duty and Sales Tax for Importers

Imported goods by businesses are generally subject to the GST, at a rate of 5 per cent, as well as applicable customs duties, which vary by product and country of origin. While the vast majority of imports enter Canada duty-free, some tariffs remain, especially on consumer goods. The *Customs Act*, for which the Minister of Public Safety and Emergency Preparedness is responsible and which is administered by the Canada Border Services Agency (CBSA), governs the levying and payment of customs duties in Canada. Typically, payments owing for customs duties and the GST on imports are due before the first day of the month following the month in which the Statements of Accounts are issued. Section 33.7(1) of the *Customs Act* allows the Minister of Public Safety and Emergency Preparedness or an officer designated by the President of the CBSA to extend, in writing, the timeline for accounting or payment of amounts owing. Under this authority, payment deadlines for statements of accounts for March, April, and May are being deferred to June 30, 2020. Businesses in need of information about their particular accounting and payment obligations on imported goods may contact the Canada Border Services Agency for more details.

New Loan Programs for Businesses

[Canada Emergency Business Account](#)

To ensure that small businesses have access to the capital they need to see them through the current challenges, the Government of Canada is announcing the launch of the new Canada Emergency Business Account, which will be implemented by eligible financial institutions in cooperation with [Export Development Canada](#) (EDC). This \$25 billion program 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, due to the economic impacts of the COVID-19 virus. This will better position them to quickly return to providing services to their communities and creating employment. Small businesses and not-for-profits should contact their financial institution to apply for these loans. To qualify, these organizations will need to demonstrate they paid between \$50,000 to \$1 million in total payroll in 2019. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 25 percent (up to \$10,000).

A New Loan Guarantee for Small and Medium Enterprises

Small and medium-sized enterprises (SMEs) may be particularly vulnerable to the impacts of COVID-19. To support their operations, EDC will guarantee new operating credit and cash flow term loans that financial institutions extend to SMEs, up to \$6.25 million. The program cap for this new loan program will be a total of \$20 billion for export sector and domestic companies.

A New Co-Lending Program for Small and Medium Enterprises

To provide additional liquidity support for Canadian businesses, the Co-Lending Program will bring the [Business Development Bank of Canada](#) (BDC) together with financial institutions to co-lend term loans to SMEs for their operational cash flow requirements. Eligible businesses may obtain incremental credit amounts up to \$6.25 million BDC's portion of this program is up to \$5 million maximum per loan. Eligible financial institutions will conduct the underwriting and manage the interface with their customers. The potential for lending for this program will be \$20 billion...

Canada Revenue Agency's Additional Measures for Individuals and Businesses

The Canada Revenue Agency (CRA) understands that individuals and businesses might be dealing with difficulties filing their income and benefit returns, and could experience cash-flow challenges in the coming months. In response, the CRA will be applying these additional measures:

Administrative tax measures

In addition to the income tax filing and payment deadline extensions, unless otherwise noted, administrative income tax actions required of taxpayers by the CRA that are due after March 18, 2020, can be deferred to June 1, 2020. These administrative income tax actions include returns, elections, designations and information requests. Payroll deductions payments and all related activities are excluded.

Trusts, Partnerships and NR4 Information Returns

The deadlines for trusts, partnership and NR4 information returns are all extended to May 1, 2020. This is due to administrative requirements in advance of the June 1, 2020 deadline for filing individual income tax and benefit returns.

Objections

Any objections related to Canadians' entitlement to benefits and credits have been identified as a critical service and will continue to be processed during the COVID-19 crisis. As a result, there should not be any delays associated with the processing of these objections. With respect to objections related to other tax matters filed by individuals and businesses, the CRA is currently holding these accounts in abeyance. No collection action will be taken with respect to these accounts during this period of time.

Extending the deadline for filing an objection

For any objection request due March 18 or later, the deadline is effectively extended until June 30, 2020.

Canada Pension Plan/Employment Insurance (CPP/EI) appeals to the Minister

In cases where taxpayers wish to file an appeal in relation to CPP/EI rulings decision, they are encouraged to do so through MyAccount to avoid potential delays. The CPP/EI appeals program is currently only actioning appeals that are related to cases where EI benefits are pending. These cases will be treated on a priority basis. All other appeals will be actioned when normal services resume. In addition, the CPP/EI Appeals to the Minister program will exercise discretion on a case by case basis when additional time is required to respond to a request.

Deadlines for charities

CRA is extending the filing deadline to December 31, 2020, for all charities with a Form T3010, Registered Charity Information Return due between March 18, 2020 and December 31, 2020. This will allow charities more time to complete and submit their T3010.

[See also Carters, "[Annual Return Deadline For Federal Corporations Extended Due To COVID-19](#)", April 2, 2020 and [Carters.ca](#) under "COVID-19 Resources"]

Suspending audit activities

CRA will not initiate contact with taxpayers for audits, with certain exceptions. This includes: 1) no new audits being launched, and 2) no requests for information related to existing audits. No audits should be finalized and no reassessments should be issued.

Suspending collections on new debt

Collections activities on new debts will be suspended until further notice, and flexible payment arrangements will be available. Payment arrangements are also available on a case-by-case basis if you can't pay your taxes, child and family benefit overpayments, Canada Student Loans, or other government program overpayments in full.

If you have concerns and require contact with a Collections Officer, please contact our toll free number 1-800-675-6184 between 8:00 a.m. and 4:00 p.m. your local time.

Requirement to pay (RTP)

Banks and employers do not need to comply or remit on existing RTPs during this time.

Taxpayer relief requests

Taxpayers who are unable to file a return or make a payment by the tax-filing and payment deadlines because of COVID-19 can request the cancellation of penalty and interest charged to their account. Penalties and interest will not be charged if the new deadlines that the government has announced to tax-filing and payments are met. For more information about deadlines, see [Helping Canadians with the economic impact of the COVID-19 Pandemic](#).

For more information about taxpayer relief and how to make a request to the CRA to have interest and/or penalties cancelled, please go to Canada.ca/taxpayer-relief.

For more information, visit [Helping Canadians with the economic impact of the COVID-19 Pandemic](#).

Government News Release 2020-03-27: Prime Minister announces support for small businesses facing impacts of COVID-19

The Government of Canada is focused on helping Canadians and businesses through this tough economic time. We will continue to protect the health and safety of Canadians, while supporting families and businesses and keeping our economy strong in the face of uncertainty.

The Prime Minister, Justin Trudeau, [today announced](#) additional new measures to support small businesses dealing with the economic impacts of the pandemic. These measures will help Canadian businesses protect the jobs that Canadians depend on, and pay their workers and bills during these difficult times.

Today's announcement is a part of the government's COVID-19 Economic Response Plan, which already commits \$107 billion in support to Canadians so they can buy groceries, pay rent, and care for their loved ones, and also supports businesses through this difficult time.

To further support small businesses, the Government of Canada will:

- Announce a 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. More details on eligibility criteria will start with the impact of COVID-19 on sales, and will be shared before the end of the month.
- Allow businesses, including self-employed individuals, to defer all Goods and Services Tax/Harmonized Sales Tax (GST/HST) payments until June, as well as customs duties owed for imports. This measure is the equivalent of providing up to \$30 billion in interest-free loans to Canadian businesses. It will help businesses so they can continue to pay their employees and their bills, and help ease cash-flow challenges across the country.
- Launch the new Canada Emergency Business Account. This program will provide up to \$25 billion to eligible financial institutions so they can provide interest-free loans to small businesses. These loans – guaranteed and funded by the Government of Canada – will ensure that small businesses have access to the capital they need, at a zero per cent interest rate, so they can pay for rent and other important costs over the next number of months.
- Launch the new Small and Medium-sized Enterprise Loan and Guarantee program that will enable up to \$40 billion in lending, supported through [Export Development Canada](#) and [Business Development Bank](#), for guaranteed loans when small businesses go to their financial institutions to help weather the impacts of COVID-19. This is intended for small and medium-sized companies that require greater help to meet their operational cash flow requirements.

These new investments will help Canada's financial institutions provide the credit and liquidity options that a range of Canadian businesses need immediately.

The Government of Canada understands that some sectors have been disproportionately impacted by the COVID-19 pandemic. We will continue to carefully monitor all developments, and take further action in the

near term. We're all in this together, and the Government of Canada will continue to work around the clock to ensure all Canadians and small businesses get the support they need to weather this crisis.

Quotes

"Small businesses are the backbone of our economy, and an important source of good jobs across this country. They are facing economic hardship and uncertainty during the COVID-19 pandemic, and that is why we are taking action now to help them get the financial help they need to protect their workers and pay their bills."

The Rt. Hon. Justin Trudeau, Prime Minister of Canada

"The measures that we are taking to protect Canadians and our economy from the impacts of the COVID-19 pandemic remind us that extraordinary times demand extraordinary actions. With the new measures we are announcing today to support businesses, we are showing once again that we will do what we must to ensure that workers and businesses are supported through the outbreak, and that our economy remains strong in the face of adversity."

The Hon. Bill Morneau, Minister of Finance

Quick Facts

The deferral to June of GST/HST payments, as well as customs duties owing on imports, will generally apply to remittances that become due in March, April, and May. These amounts would normally have been due to the Canada Revenue Agency and the Canada Border Services Agency as early as the end of this month. This measure will take effect immediately, through existing authorities.

The Canada Revenue Agency is introducing a series of administrative measures to remove some of the burden on businesses experiencing financial hardship.

The new [Canada Emergency Business Account](#) will provide funding to eligible financial institutions so that they can provide interest-free loans in the form of lines of credit of up to \$40,000 to businesses with payrolls of less than \$1 million. A quarter of this loan (up to \$10,000) is eligible for complete forgiveness.

The new Small and Medium-sized Enterprise Loan and Guarantee program will operate as follows:

[Export Development Canada](#) will provide guarantees to financial institutions so that they can issue new operating credit and cash flow term loans of up to \$6.25 million to small and medium-sized businesses. These loans will be 80 per cent guaranteed by [Export Development Canada](#), to be repaid within one year.

Small and medium-sized businesses can also get support through a new Co-Lending Program that will bring the [Business Development Bank of Canada](#) together with financial institutions to co-lend term loans to these businesses for their operational cash flow requirements. Eligible businesses may obtain incremental credit amounts of up to \$6.25 million through the program, which will be risk-shared at 80 per cent between the Business Development Bank of Canada and the financial institutions. Eligible financial institutions will conduct the underwriting and funding directly for customers.

The government has already introduced several measures to support businesses affected by COVID-19:

Extending the maximum duration of the [Work-Sharing program](#), from 38 weeks to 76 weeks, for workers who agree to reduce their normal working hours because of developments beyond the control of their employers.

Establishing a [Business Credit Availability Program](#), largely targeted to small and medium-sized businesses, through the [Business Development Bank of Canada](#) and [Export Development Canada](#). These organizations are working closely with private sector lenders to coordinate on credit solutions for individual businesses, including in sectors such as oil and gas, air transportation, and tourism.

Increasing credit available for farmers and the agri-food sector through [Farm Credit Canada](#).

Deferring the payment of income taxes. The government is allowing all taxpayers to defer, until after August 31, 2020, the payment of income tax amounts owed on or after March 18 and before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the Income Tax Act. No interest or penalties will accumulate on these amounts during this period.

Finance News Release 2020-03-25: The COVID-19 Emergency Response Act Receives Royal Assent

The Government of Canada is taking strong, immediate and effective action to protect Canadians and our economy from the impacts of the global COVID-19 pandemic.

Bill C-13, the *COVID-19 Emergency Response Act*, today received Royal Assent, guaranteeing the rapid implementation and administration of measures to protect Canadians' health and safety and stabilize the Canadian economy. The authorities in this legislation makes sure that the government can do what it takes to support Canadians and Canadian businesses, and the economy as whole, in a timely way, today and in the future, as the situation continues to evolve.

The Government's COVID-19 Economic Response Plan provides direct support to Canadian workers and businesses, plus \$55 billion through tax deferrals, to help meet the cash needs of Canadian businesses and households, and to help stabilize the economy. This comprehensive support helps ensure that Canadians can pay for essentials like housing and groceries, as well as helps businesses continue to pay their employees and their bills during this time of uncertainty.

This legislation:

- Provides additional assistance to families with children by temporarily boosting Canada Child Benefit payments, delivering almost \$2 billion in extra support.
- Provides additional assistance to individuals and families with low and modest incomes with a special top-up payment under the Goods and Services Tax (GST) credit, delivering \$5.5 billion in support.
- Introduces a Canada Emergency Response Benefit providing a taxable benefit of \$2,000 a month for up to 4 months to support workers who lose their income as of result of the COVID-19 pandemic. The benefit would cover Canadians who have lost their job, are sick, quarantined, or taking care of someone who is sick with COVID-19, as well as working parents who must stay home without pay to care for children who are sick or at home because of school and daycare closures. Additionally, workers who are still employed, but are not receiving income because of disruptions to their work situation

related to COVID-19, would also qualify for the CERB. The CERB is available to Canadian workers affected by the current situation whether or not they are eligible for Employment Insurance (EI).

- Introduces a pause on the repayments of [Canada Student Loans](#) in the Canada Student Financial Assistance Act, the Canada Student Loans Act, and the Apprenticeship Loans Act in order to introduce a 6-month moratorium on the repayment of Canada Student Loans for all borrowers currently in repayment.
- Helps businesses keep their workers by providing eligible small employers a temporary wage subsidy for a period of three months. Eligible employers would include small businesses (including co-operative corporations) eligible for the small business deduction, unincorporated employers, certain partnerships, non-profit organizations and charities.
- Helps protect seniors' retirement savings from the impact of volatile market conditions by reducing required minimum withdrawals from Registered Retirement Income Funds by 25 per cent for 2020.
- Supports provinces and territories with a COVID-19 Response Fund that would provide one-time funding of \$500 million through the Canada Health Transfer for their critical health care system needs and to support mitigation efforts as needed.
- Ensures the availability of drugs and medical devices by providing the Government with the authority to make regulations to address any future shortages of therapeutic products, including drugs and medical devices. This would include allowing for drug patent overrides in health emergencies in the period up to September 30, 2020, and for the importation of drugs and medical devices not authorized for sale in Canada to address certain shortages, such as for personal protective equipment or drugs required to treat COVID-19.
- Supports Canadian businesses through the [Business Development Bank of Canada](#) (BDC) by temporarily providing the Minister of Finance with more flexibility to determine BDC's capital limit, allowing it to provide further financial support to Canadian businesses when they need it.
- Supports Canadian businesses through [Export Development Canada](#) (EDC) by temporarily providing the Minister of Finance with more flexibility in setting EDC's capital and liability limits – as well as the Canada Account limit – and expanding EDC's ability to engage in domestic financial transactions so that it can more effectively deliver financial and credit insurance support to affected Canadian businesses.
- Supports the agriculture and agri-food sector by amending the [Farm Credit Canada](#) (FCC) Act to temporarily provide the Minister of Finance with the flexibility to set the limit on the amounts that may be paid by the Minister of Finance to FCC out of the Consolidated Revenue Fund to ensure continued availability of credit to businesses in the agriculture and agri-food sector.
- Supports the mortgage financing market in Canada by enhancing the Canada Mortgage and Housing Corporation's (CMHC) access to capital, and increasing its insurance-in-force and guarantees-in-force legislative limits, so that it can continue to provide stable funding to banks and mortgage lenders in support of continued lending to Canadian businesses and consumers.
- Protects Canadians from the Spread of COVID-19 by providing authority to a federal minister to requisition funds from the Consolidated Revenue Fund with the concurrence of the Minister of Finance and the Minister of Health to support federal efforts to prevent or control the spread of COVID-19.
- Provides the Minister of Finance with flexibility to respond expeditiously to COVID-19 developments, by amending the Financial Administration Act (FAA) to temporarily remove the requirement for the Minister of Finance to receive Governor in Council's authorization in order to use emergency powers.
- Supports the protection of Canadians' savings by providing the Minister of Finance with the flexibility to increase the Canada Deposit Insurance Corporation's deposit insurance limit beyond its current level of \$100,000.

These investments build on action already taken to address the outbreak, including the over \$1 billion COVID-19 Response Fund and over \$500 billion in credit and liquidity support coordinated by the Government, the Bank of Canada, the Office of the Superintendent of Financial Institutions, the Canada Mortgage and Housing Corporation and commercial lenders to ensure businesses have access to liquidity and can continue to operate.

The Government will continue to carefully monitor all developments relating to the COVID-19 outbreak and is prepared to take further action as required.

Deferral of GST/HST Tax Remittances (COVID-19 Measures) (CRA FAQ) (April 1, 2020)

Q1- What fiscal measures is the Canada Revenue Agency (CRA) taking to help Canadian businesses manage their GST/HST payments and remittances?

A1- The CRA understands that businesses might be dealing with difficulties in making their GST/HST payments or remittances.

The CRA will allow all businesses to defer, until the end of June 2020, any GST/HST payments or remittances that become owing on or after March 27, 2020, and before June 2020. This means that no interest will apply if your payments or remittances are made by the end of June 2020.

The deadline for businesses to file their returns is unchanged. Those who are able to, should continue to file their GST/HST returns on time reporting their net tax for the reporting period to help facilitate tax compliance and administration. However, recognizing the difficult circumstances faced by businesses, the CRA won't impose penalties where a return is filed late provided that it is filed by June 30th.

Q2: I am an annual filer who is required to make quarterly GST/HST instalment payments. Does the announced deferral apply to instalment payments?

A2: Yes, any GST/HST instalment payments due on or after March 27, 2020, and before June 2020 can be deferred until the end of June 2020. No interest will apply if the instalment payment amounts are paid by the end of June 2020.

Q3: I am an individual with a calendar year reporting period who is not required to file my GST/HST return until June 15th. Am I still required to remit the net tax owing for my 2019 reporting period by April 30, 2020.

A3: No, the remittance of your net tax can be deferred until the end of June 2020. No interest will apply if the net tax is remitted by the end of June 2020.

Q4: The Government has now announced temporary payment deferrals for income tax, GST/HST and Customs duties. Will there be a similar deferral for excise taxes and duties?

A4: Excise taxes and duties are still required to be remitted by their prescribed due dates. If you are having difficulty making your payment on time, you can contact the CRA and request that any related interest on outstanding amounts be waived. Decisions to waive interest are made on a case by case basis.

Q5: Will my GST/HST return be processed if I file it electronically?

A5: GST/HST returns that are filed electronically will be processed unless they require client contact or additional review. Those returns will not be processed until normal operations resume.

To check on the status of your GST/HST return, please log in to My Business Account where there are many self-service options such as viewing expected and filed returns, viewing the notice of assessment and signing up for direct deposit. More information can be found here:

<https://www.canada.ca/en/revenue-agency/services/e-services/e-services-businesses/business-account.html>

Q6: Will my GST/HST return be processed if I mail in a paper copy?

A6: Paper copies of GST/HST returns will not be processed until normal operations resume. We encourage registrants to file electronically. More information can be found here:

<https://www.canada.ca/en/revenue-agency/services/e-services/e-services-businesses/business-account.html>

Q7: If I am expecting a refund after filing my GST/HST return, will my refund still be processed and issued?

A7: GST/HST returns filed electronically that do not require client contact or additional review will be processed and a refund will be issued if there is no balance owing.

Registrants should sign up for Direct Deposit through My Business Account in order to receive their refunds. More information can be found here:

<https://www.canada.ca/en/revenue-agency/services/about-canada-revenue-agency-cra/direct-deposit.html>

Q8: Who can I contact to get more information on my GST/HST account during this pandemic?

A8: We encourage clients to use our self-serve options like My Business Account and our website to find information and to find answers to their questions. Log in to My Business Account to check the status of your GST/HST account. More information can be found here:

<https://www.canada.ca/en/revenue-agency/services/e-services/e-services-businesses/business-account.html>

Q9: Will GST/HST Rebates continue to be processed?

A9: Only the GST/HST rebate applications filed electronically for Federal, Provincial and Territorial Governments, Ontario First Nation HST Point-of-Sale and Public service bodies with the CRA can be processed automatically unless they require client contact or additional review. Electronically filed Housing and General rebate applications are manually assessed and won't be processed until operations resume.

Q10: I filed a GST/HST Rebate. When will my rebate be processed?

A10: For those GST/HST rebates that can be filed electronically, they will be processed as long as no manual intervention is required.

Q11: Will consideration be given to late filed rebates?

A11: GST/HST rebates that are late filed may be considered for processing. They will be reviewed on a case by case basis when operations resume.

[See also see also KPMG, "[COVID-19 — CRA & Quebec Offer GST/HST and QST Relief](#)", *TaxNewsFlash Canada*, No. 2020-36, April 2, 2020.]

TEI Holds Call with Canada Department of Finance on March 30, 2020 Regarding COVID-19 Commodity Tax Issues

On March 30, 2020, members of the TEI Canadian Tax Committee had a call with the Canada Department of Finance Tax Policy Branch to discuss COVID-19 commodity tax issues and Finance's March 27, 2020 announcement. The following is a brief summary of the discussion.

Note: The discussion with Finance were high-level discussions and focused on the general intent and parameters of the [March 27, 2020, announcement](#).

1. The GST/HST remittance deferral announced last March 27th for Canadian businesses applies to all GST registrants, including but not limited to large corporations, individuals, and non-resident registrants.
2. The decision regarding whether the filing of GST/HST returns will be deferred is a decision to be made by the administrator of the tax, which is CRA. CRA will be issuing guidance on this topic imminently.
3. The deferral of remittances must be handled on a net basis. If a registrant files and wants to claim an ITC, the ITC must be offset by GST/HST collected. Registrants cannot claim an ITC now and defer their remittance of the GST/HST collected during the period.
4. If a registrant is in a net GST/HST receivable position (e.g., exporters), the registrant is entitled to file its return now and obtain its ITC (net of GST/HST collected/collectible).
5. If the registrant is in a net GST/HST payable position, then the registrant can defer payment of the net GST/HST payable.
6. Finance cannot confirm whether a taxpayer will have the ability to claim its ITCs in the reporting period where the statements of accounts are issued and defers the GST payments until June 30th. CRA/CBSA is in discussions on this issue now.
7. Government continues to evaluate tax relief measures. Finance indicated that deferrals apply only to GST/HST and customs import duties at this time.

TEI thanked Finance for joining the call and providing guidance at this difficult time. TEI and its members are available should Finance or CRA need assistance from the business community as things progress.

Finance thanked the TEI representatives for joining the call and appreciated flexibility as these issues continue to evolve.

COVID-19 Update: Additional measures from the Canada Revenue Agency (CRA Special Notice: March 27, 2020)

The Canada Revenue Agency (CRA) understands that individuals and businesses might be dealing with difficulties filing their income and benefit returns, and could experience cash-flow challenges in the coming months. In response, the CRA is applying these additional measures:

Administrative income tax measures: In addition to the income tax filing and payment deadline extensions announced as part of the fiscal measures, unless otherwise noted, taxpayers may defer a number of other administrative tax actions required under the Income Tax Act (ITA) that are due after March 18, 2020, until June 1, 2020. These administrative income tax actions include the filing of returns, forms, elections, designations, and responses to information requests. Payment and remitting requirements are not covered by this announcement.

This measure also does not apply in respect of a prescribed form, receipt or document, or prescribed information, that is required to be filed with the Minister on or after the day specified, in respect of the form, receipt, document or information, in subsection 37(11) or paragraph (m) of the definition investment tax credit in subsection 127(9) of the ITA.

Payroll deductions and all related activities (except to the extent they relate to the reduction of remittances related to the temporary wage subsidy) must continue to be done on time.

Trusts, Partnerships and NR4 Information Returns: The deadlines for trusts, partnership and NR4 Information returns are all extended to May 1, 2020. This is due to administrative requirements in advance of the June 1st deadline for filing individual income tax and benefit returns.

For more information

We thank you all for your patience as we navigate through this situation together. To learn more about how the CRA is helping Canadians with the economic impact of the COVID-19 Pandemic, go to Helping Canadians with the economic impact of the COVID-19 Pandemic. To get the latest information please bookmark this page as we update it often and follow us on our social media channels.

[The Canada Revenue Agency (CRA) has developed [this page](#) to provide updates on the fiscal measures taken by the Agency to help Canadians manage their tax and benefit affairs as this situation evolves. This page will be updated as new information is available. For more information on COVID-19, [Public Health Agency of Canada's page](#) provides general updates and health information].

Collections, audit, objections and appeals: CRA and COVID-19

Collection on new debts

Collections activities on new debts will be suspended until further notice, and flexible payment arrangements will be available. If a taxpayer is prevented from making a payment or filing a return on time, because of circumstances beyond their control, they can request to waive or cancel penalties and interest. To make a request to the CRA, use Form RC4288, *Request for Taxpayer Relief*. If you can't pay your taxes, child and family benefit overpayments, [Canada Student Loans](#), or other government program overpayments in full, payment arrangements are available. Collections staff will address pre-existing situations on a case-by-case basis to prevent financial hardship. Our Debt Management Call Centre service is not currently available. If you need to

contact a Collections Officer, please call our toll free number at 1-800-675-6184 between 8 am and 4 pm your local time.

Audits

The CRA will generally not contact small or medium (SME) businesses to initiate any post assessment GST/HST or income tax audits for the next 4 weeks. Interaction with taxpayers will be limited to high risk and exceptional cases, or cases of high risk GST/HST refund claims which require some contact before they can be paid out. Other audits are temporarily suspended.

Objections, appeals and taxpayer relief

Objections related to Canadians' entitlement to benefits and credits have been identified as a critical service and will continue to be delivered during COVID-19. There should not be any delays with the processing of these objections. For objections related to other tax matters filed by individuals and businesses, the CRA is currently holding these accounts in abeyance. No collection action will be taken with respect to these accounts at this time. For objections that are due March 18, 2020 or later, we are effectively extending the deadline to June 30, 2020. For appeals before the Tax Court of Canada (TCC), the TCC has ordered the extension of all timelines prescribed by the rules of that Court while it is closed for business until March 30, 2020. More information can be obtained directly from the TCC. Taxpayers who are unable to file a return or make a payment by the tax-filing and payment deadlines because of COVID-19 can request the cancellation of penalty and interest charged to their account. Penalties and interest will not be charged if the new deadlines that the government has announced to tax-filing and payments are met. Once business operations resume, the Taxpayer Relief Program will review requests related to COVID-19 on a priority basis.

Validation programs and verification activities

If you have received any CRA correspondence that includes dates for response or provision of documents, no action is required from you at this time. Verification work is currently on hold and the CRA will re-contact you once the current COVID-19 measures are lifted. Due to measures taken surrounding the COVID-19 virus, our telephone services are not available.

Tax-Filing and Payment Deadlines

See the chart at the top of this Newsletter.

Tax Services Offices and Tax Centres ([Sending Returns, Correspondence and Payments to the CRA](#))

Due to circumstances surrounding COVID-19, all drop boxes not located at the Canada Revenue Agency's tax centres have been closed. Please don't leave mail at these locations. Drop boxes at the tax centres in Jonquière, Sudbury, and Winnipeg will be monitored regularly and remain open. If you leave your documents at any other location, we can't guarantee your documents will be safe and that we'll get them. To protect your sensitive information and make sure your tax return gets to the CRA quickly and securely, you're strongly encouraged to: file your tax return online using NETFILE, mail your paper returns to the appropriate tax centre.

You're also strongly encouraged to make a payment to the CRA in one of the following ways: pay electronically through your financial institution's Internet or telephone banking service or by setting up pre-authorized debit; take your remittance voucher and pay directly at a financial institution; make an electronic payment.

You may be able to pay in person at any Canada Post outlet using cash or debit card.

If you need help filing your income tax and benefit return, our get ready page has everything you need.

Note: The decision to close the drop boxes also considered the safety of employees responsible for collecting the mail. The main safety consideration is that many drop boxes are located outside CRA buildings that have been vacated or have very minimal capacity. From a health and safety perspective as well as a capacity perspective, it was decided that the best approach was to seal drop boxes in these locations. Because this is not an issue in Tax Centres who are maintaining a higher level of staff, including in the mailrooms, it was decided to maintain the drop boxes.

Tax services offices (TSO) are located throughout Canada. Find the one serving your area in the table below. To find the tax centre for your area, select your TSO from the table below or see Tax centres. The tax centre assigned to each TSO is listed at the bottom of the linked page. If you are a Territorial resident and are looking for information about a Northern Service Centre, go to Northern Service Centres.

Please note that there is no walk-in counter service offered in any CRA locations.

If you are a non-resident and need to contact us about an international-related issue, go to International tax and non-resident enquiries.

Electronic Signatures

[Effective immediately](#), the CRA will recognize electronic signatures as having met the signature requirements of the Income Tax Act. This temporary measure will reduce the necessity for taxpayers and tax preparers to meet in person and will reduce administrative burden during this difficult time. This provision applies to authorization forms [T183](#) or [T183CORP](#), which are forms that are signed in person by millions of Canadians every year to authorize tax preparers to file taxes.

[Similarly, Revenu Québec will now allow preparers to use an electronic signature on some forms that their clients must sign. The forms in question are form [TP-1000.TE-V](#) (for individuals) and form [CO-1000.TE](#) (for corporations).]

Liaison Officer service

The CRA is adapting its Liaison Officer service to support small businesses and self-employed individuals during COVID-19. Normally, the CRA offers this service in person to help small business owners understand their tax obligations. To meet critical business needs during this challenging time, the CRA is temporarily suspending the regular in-person service. Liaison Officers will be available exclusively by phone to provide the key information that small businesses and self-employed individuals need most urgently, including filing and payment deadlines and proactive relief measures. Liaison Officers will be reaching out to taxpayers to explain these measures. Business owners and self-employed individuals can fill out the Liaison Officer Service request

form to have a Liaison Officer contact them by phone. We will also be working with key stakeholders to help promote this adapted service.

Canada Revenue Agency national COVID-19 business continuity plan

Purpose

The Agency's National COVID-19 Business Continuity Plan has been created to provide National direction for coordinated implementation at the local level. The Plan outlines the Agency's prioritization of services. Collaboration at the national and regional level is paramount for success of the Plan. It will ensure that the Agency can continue to support Canadians with delivery of critical services during the COVID-19 pandemic. Critical services are defined as services whose compromise in terms of availability or integrity would result in a high degree of injury to the health, safety, security or economic well-being of Canadians, or to the effective functioning of the Government of Canada. As the external landscape evolves and new programs and changes are announced, priorities will be reassessed and some activities currently not deemed critical may become critical.

Agency strategic response objectives

To ensure the continuity of:

- Activities associated with the CRA's internal management of the organization's response to the pandemic as it relates to the health, safety, and security of our workforce;
- Benefits payments to recipients, and associated functions, including, processing of returns, and responding to calls received in CRA's call centres in the hope of facilitating greater financial relief to Canadians;
- Activities associated with the CRA's contribution to the Government of Canada's response to the COVID-19 pandemic, especially as it relates to supporting Canada's economic resilience during the pandemic; and
- Agency leadership through the mobilization of our key teams and stakeholders to oversee, manage and deliver the Agency's critical services and to support the Government of Canada's response to the COVID-19 pandemic.

Critical services to Canadians and to the government of Canada – program branches

Assessment, Benefit, and Service Branch

Respond to calls placed to the Agency's call centres (agents, traffic control, quality monitoring and support); Provide support on the Agency's e-Services Helpdesk lines; Review, assess and process benefit applications, including the Disability Tax Credit, to determine eligibility and entitlement; IDENT updates and related activities; Ensure the issuance/re-issuance of benefit payments; Processing of direct and financial institution (FI) remitted payments, including the updating of accounts; Mobilization of resources throughout the pipeline process, as required, to address pressures associated with inventory build ups and to action urgent requests; Provide virtual support to the Community Volunteer Income Tax Program (CVITP) and assist organizations with virtual outreach activities (relating to benefits); Operate the National Targeting Centre and the Customs Business Number Registration (in support of CBSA); Critical information return activities to support ESDC; Information sharing (via data transfer) in support of socio-economic benefits to Provincial and Territorial

governments and other federal departments; Development and delivery of the new Canada Emergency Response Benefit, the new COVID-19 GSTC Supplement and the [Enhanced Canada Child Benefit](#); Testing associated with critical system changes, as well as the continued development of both T3 and BSRP solutions; T1 Selection activities to ensure there is no disruption in benefits to paper filers

Collections and Verification Branch

Provide dedicated remote call centre agents (VOCALLS) to address financial hardship cases for tax and government program files due to previous collection actions; Benefit Validation work to action inventories and ensure that benefit recipients receive timely benefit payments; Service Acceleration Officers to resolve financial hardship cases and taxpayer complaints; Centre of expertise to address suspicious and fraudulent refunds, unauthorized benefit payments, as well as cases of identity theft

Compliance Programs Branch

GST/HST Refund Integrity program; Expediting urgent taxpayer's requests for audit approval for refunds and credits: Taxpayer requested reassessments, Scientific Research and Experimental Development (SR&ED), Waivers, Clearance certificates; Credits on account / refund returns [emphasis added]; Liaison Officer (LO) program; High risk audits and investigations; Planning work in support of GC priorities and CRA resumption

Appeals Branch

Prioritize objections inventory related to benefits; Prioritize CPP/EI appeals to the Minister/appeals to the court (only where benefits are pending); Intake centres (to identify priority workloads described above); Key tax litigation files, with HQ providing support to the Department of Justice; Core capability in taxpayer relief program

Service, Innovation, and Integration Branch

Ensure that required data files are created, reviewed for quality, and supplied to our partners, such as Provinces and Territories, Statistics Canada and Department of Finance, in support of socio-economic initiatives; The Ombudsman Liaison Office will address urgent requests for action received from the Office of the Taxpayers' Ombudsman; SIIB plays a critical role in supporting internal management of the Agency through governance, analysis, interdepartmental and inter-jurisdictional relationships; Problem Resolution Program – ensure continuity of operations by addressing issues impacting Canadians' benefits and tax situations

Office of the Taxpayers' Ombudsman

Receive complaints from taxpayers relating to the services provided by the CRA; Assess complaints and escalate when the complainant's personal or financial circumstances require that their file be actioned on an urgent basis and send Urgent Requests for Action (URFA) to the CRA-Ombudsman Liaison Office (OLO) to action

Legislative Policy and Regulatory Affairs Branch

Work on CPP/EI pending claims; Provide support to Canadians working abroad on Social Security; Support ESDC to ensure continuity of Supplementary Unemployment Benefit Plans (SUBPs); Provide input to government economic and fiscal priorities; Operate the Dedicated Telephone Service; Handle Stamping/Licensing for Cannabis enquiries and other excise licensees; Support time-sensitive income tax ruling requests and technical interpretations; Process waiver and administrative relief submissions for Deferred Income and Savings Plans (DISP); Operate call centres in the areas of GST/HST rulings, registered plans, and registered charities

Critical services – business enabling functions

Information Technology Branch; IT Support; National IT Service Desk; Enterprise Service Management; Production Assurance support; Redeployment of laptops and desk side support; PKI Support; Cyber Security; IT development, maintenance and operational support for all IT systems required to support the agency critical services and related programs

Human Resources Branch

Labour relations; Occupational health and safety; Compensation; The NES lines have been disabled, but the CCSC mailbox remains a critical service; Activities related to starting and stopping pay and for situations of no pay or underpay; Existing overpayment recoveries will continue, but no new overpayments will be collected; Term extensions, and new terms for which the paper work has been received at the CCSC will be processed, this includes students; Employee Assistance Programs

Public Affairs Branch

Parliamentary and Cabinet Affairs; Media Relations and Issues Management; Language Services; Strategic Communications and Advisory Services; Social Media, Marketing, Advertising & Multimedia; Web & Print Productions; User-Centric Content Design; Ministerial Events and Speech Writing; Privacy Management

Finance and Administration Branch

Agency Operations Centre; Business Continuity functional guidance; Financial Administration and Management, particularly payment authorization and processing, costing and financial reporting, and policy guidance; Physical Security - access control; Contracting activities in support of critical functions

Real Property Facilities Management; Mail Operations and Records Management, including carding/flagging T1 paper returns to ensure no disruption in benefits, and operations at the National Forms Distribution Centre (NFDC)

Legal Services Branch

Legal advice and litigation support services

Audit, Evaluation and Risk Branch

Internal Disclosure

Continuity of leadership

All Branches & Regions

CO/MO Business Continuity Plan; Mobilize all Assistant Commissioners and their key support staff; Ensure horizontal coordination of the Agency's activities to support CRA's critical services and to support the Government of Canada's response during the crisis; Ensure horizontal prioritization and coordination of the Agency's resumption activities

Monitoring and reporting

As the COVID-19 pandemic evolves, the plan will be reviewed and adjusted accordingly. Guidance from lead government partners and authorities will be monitored during the crisis. A national After Action Report (AAR) will be completed following the event to address gaps and lessons learned. Ongoing meetings will take place with the following groups: Core Incident Management Committee, Agency Management Committee, the Agency COVID-19 Task force and the Board of Management. Stakeholders such as national UTE - PSAC and AFS - PIPSC unions, other federal government departments, and Provincial/Territorial partners, will be briefed regularly. Ongoing tracking and reporting of employees, who have been deemed to be providing a critical service, who have a presumptive case of COVID-19 (as confirmed by their health authority), or confirmed case of COVID-19 (as confirmed by their health authority); and work refusals.

Response by phases of pandemic

As we progress through phases of the pandemic, critical service priorities and associated strategies will be reviewed and adjusted accordingly.

Customs Notice 20-11

Canada Border Services Agency

Extension of Timeframes for Payment of Customs Duties and GST (COVID-19)

Ottawa, March 27, 2020

1. This notice provides information regarding the extension of timeframes for the payment of customs duties and the Goods and Services Tax (GST).
2. Subsection 33.7(1) of the Customs Act ("The Act") provides an authority to the Minister of Public Safety and Emergency Preparedness ("The Minister") or an officer designated by the President of the Canada Border Services Agency (CBSA) to, in writing, extend the time prescribed by the regulations for the payment of any amount owing for duties.
3. The timeframes for the payment of duties owing on commercial goods are set out in section 10.1 of the Accounting for Imported Goods and Payment of Duties Regulations ("The Regulations").

4. The World Health Organization characterized the outbreak of the coronavirus disease (COVID-19) as a pandemic on March 11, 2020.
5. Within this extraordinary context and further to the announcement made by the Prime Minister on March 27, 2020 the Government of Canada will allow businesses to defer to June some payments of the Goods and Services Tax / Harmonized Sales Tax amounts collected on their sales, as well as customs duties owing on their imports.
6. The Minister has exercised his authority pursuant to subsection 33.7(1) of the Act to extend the time for payment of an amount owing as duties.
7. As such, the timeframe for all payments due to the Agency (customs duties and GST on regular imports, re-assessments, penalties, etc.) are extended to June 30, 2020. This also includes charges on the statement of account of March due on April 1, 2020.
8. Importers should note there is no change to the accounting timeframes prescribed by "The Regulations". Importers are required to submit accounting declarations for imported goods released on minimum documentation within the required timeframes.
9. For any questions, please contact cbsa-asfc_caarm.gcra@cbsa-asfc.gc.ca.

Benefits, Credits, and Support for Individuals

File early if possible (per the CRA)

File your income tax and benefit return electronically before June 1, 2020 to make sure your benefits and credits are not interrupted. Register for direct deposit on CRA's My Account for the quickest and most reliable way to get benefit and credit payments. Allow up to 5 business days after the scheduled payment date to receive your benefit or credit payment before calling us... If you have received a letter from the CRA that includes a date to respond or asks for documents, no action is required from you at this time. Verification work is currently on hold and the CRA will re-contact you once the current COVID-19 measures are lifted. If you are a benefit recipient whose payments have been stopped or adjusted after a validation review and you have sent in the requested documentation, your account will be processed on a priority basis. It is important to note that, although reviews have been postponed, it does not prevent future actions or reviews from being completed. Benefit recipients will need to keep their supporting documents, in case they are selected for review in the future.

We encourage you to file your income tax and benefit return electronically and as early as possible before June 1, 2020, to make sure your benefits and credits are not interrupted. You are encouraged to register for direct deposit on CRA's My Account self-service portal, as this is the quickest and most reliable way to get benefit and credit payments. It can sometimes take up to five business days after the scheduled payment date to receive your benefit or credit payment. Please allow this time before calling us.

Note: You can now sign up for direct deposit or change your account information through many financial institutions. This service applies to customers of: Affinity Credit Union (coming soon); Alterna Bank; Alterna Savings; ATB Financial (coming soon); BlueShore Financial; BMO; Cambrian Credit Union (coming soon); CIBC;

Coast Capital Savings Federal Credit Union (coming soon); Desjardins; Education Credit Union; G&F Financial Group; HSBC (coming soon); KOHO Financial; Libro Credit Union; Meridian Credit Union; motusbank; National Bank; Peoples Trust; RBC; Servus Credit Union (coming soon); Scotiabank; Simplii Financial; STACK; Tangerine; TCU Financial; TD Canada Trust; UNI Financial Cooperation; Vancity; We Financial; WFCU Credit Union.

Once you provide consent through one of these financial institutions, your CRA direct deposit information will be updated the following day. We encourage you to visit your financial institution's website for information on how to sign up. Allow up to 5 business days after the scheduled payment date to receive your benefit or credit payment before calling us.

Canada Emergency Response Benefit

[COVID-19: Canada Emergency Response Benefit Application](#)

Eligibility

Important: You are not entitled to receive the Canada Emergency Response Benefit (CERB) from the Canada Revenue Agency (CRA) while you are receiving Employment Insurance (EI) benefits or the CERB from Service Canada. If you have already submitted an application with Service Canada for EI or the CERB, you cannot apply for this benefit through CRA.

To be eligible, you must meet the following requirements:

- You reside in Canada.
- You are 15 years of age or older at the time of application.
- **For your first CERB application:** you have stopped or will stop working due to reasons related to COVID-19 and, for at least 14 consecutive days of the four week period for which you are applying, you will not be receiving: 1) employment income; 2) self-employment income; or 3) provincial or federal benefits related to maternity or paternity leave;
- **For your subsequent CERB applications:** you continue to not be working due to reasons related to COVID-19 and, for the four week period for which you are applying, you will not be receiving: 1) employment income; 2) self-employment income; or 3) provincial or federal benefits related to maternity or paternity leave.
- You have not quit your job voluntarily.
- You have not applied for, nor are you receiving, CERB or EI benefits from Service Canada for the same eligibility period.
- You have earned a minimum of \$5,000 income within the last 12 months or in 2019 from one or more of the following sources: 1) employment income; 2) self-employment income; or provincial or federal benefits related to maternity or paternity leave.

Eligibility periods:

- Eligibility periods are fixed in four week periods.
- You may apply for CERB for up to a maximum of 16 weeks.

Note: If you are later found to be ineligible, you will be required to repay the benefit.

Select a period

Period selected: March 15, 2020 to April 11, 2020

I certify that:

- I reside in Canada.
- I am 15 years of age or older at the time of application.
- **For my first CERB application:** I have stopped or will stop working due to reasons related to COVID-19 and, for at least 14 consecutive days of the four week period for which I am applying, I will not be receiving: 1) employment income; 2) self-employment income; or 3) provincial or federal benefits related to maternity or paternity leave.
- **For my subsequent CERB applications:** I continue to not be working due to reasons related to COVID-19 and, for the four week period for which I am applying, I will not be receiving: 1) employment income; 2) self-employment income; or 3) provincial or federal benefits related to maternity or paternity leave.
- I have not quit my job voluntarily.
- I have not applied for, nor am I receiving, the Canada Emergency Response Benefit (CERB) or Employment Insurance (EI) benefits from Service Canada for the same eligibility period.
- I have earned a minimum of \$5,000 income within the last 12 months or in 2019 from one or more of the following sources: 1) employment income; 2) self-employment income; or 3) provincial or federal benefits related to maternity or paternity leave.

You must certify that the information you have provided is true and correct, and acknowledge that making a false declaration is a criminal offense.

I certify to the following:

required

X I meet all the requirements set out above and I understand that I must repay any payment to which I am not entitled.

CRA FAQ: April 2, 2020

What is the Canada Emergency Response Benefit?

If you stopped working because of COVID-19, the Canada Emergency Response Benefit (CERB) may provide you with temporary income support.

The CERB provides \$500 a week for up to 16 weeks.

How to apply

We will start accepting applications on April 6.

Prior to April 6, individuals who are without work and are eligible for EI can continue to [apply for Employment Insurance](#).

Important! If you are not eligible for Employment Insurance, find out how you can get ready to apply for the CERB through the [Canada Revenue Agency](#). Whether you apply online or by phone, the CRA wants to provide the best service possible to everyone. To help manage this, the CRA has set up specific days for you to apply. Please use the following guidelines:

Day to apply for the Canada Emergency Response Benefit

<i>If you were born in the month of</i>	<i>Apply for CERB on</i>	<i>Your best day to apply</i>
January, February or March	Mondays	April 6
April, May, or June	Tuesdays	April 7
July, August, or September	Wednesdays	April 8
October, November, or December	Thursdays	April 9
Any month	Fridays, Saturdays and Sundays	

Eligibility

The benefit will be available to workers:

- Residing in Canada, who are at least 15 years old;
- Who have stopped working because of COVID-19 and have not voluntarily quit their job;
- Who had income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application; and
- Who are or expect to be without employment or self-employment income for at least 14 consecutive days in the initial four-week period. For subsequent benefit periods, they expect to have no employment income.

The Benefit is only available to individuals who stopped work as a result of reasons related to COVID-19. If you are looking for a job but haven't stopped working because of COVID-19, you are not eligible for the Benefit.

Questions and answers (Updated April 6)

How do I know whether to apply for EI benefits or the Canada Emergency Response Benefit?

If you have stopped working because of COVID-19, you should apply for the Canada Emergency Response Benefit, whether or not you are eligible for Employment Insurance. The Benefit is available for the period from March 15, 2020 to October 3, 2020. Starting April 6, 2020, there will be a single portal to assist you with the application process. From this portal, you will then be guided through your responses to a few simple questions to complete the application best suited to you (i.e. eligibility for Employment Insurance benefits or

not). Canadians who are eligible for Employment Insurance and who have lost their job can continue to [apply for Employment Insurance](#). If you became eligible for EI regular or sickness benefits on March 15, 2020 or later, your claim will be automatically processed through the Canada Emergency Response Benefit. For other EI benefits, including maternity, parental, caregiving, fishing and worksharing, you should also continue to apply.

Where can I apply for the Canada Emergency Response Benefit?

As of April 6, 2020, you can apply [here](#). Canadians who are eligible for Employment Insurance and who have lost their job can also continue to [apply for Employment Insurance](#).

What are the eligibility criteria for the Canada Emergency Response Benefit?

The benefit will be available to workers: 1) Residing in Canada, who are at least 15 years old; 2) Who have stopped working because of COVID-19 or are eligible for Employment Insurance regular or sickness benefits; 3) Who had income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application; and 4) Who are or expect to be without employment or self-employment income for at least 14 consecutive days in the initial four-week period. For subsequent benefit periods, they expect to have no employment or self-employment income.

The income of at least \$5,000 may be from any or a combination of the following sources: employment and self-employment. For those who are not eligible for Employment Insurance you may also include maternity and parental benefits under the Employment Insurance program and/or similar benefits paid in Quebec under the Quebec Parental Insurance Plan as part of the calculation for income.

Can I have other income while receiving the Canada Emergency Response Benefit?

You must have stopped working as a result of COVID-19 and be without employment or self-employment income for at least 14 consecutive days within the initial four-week period. This includes income from paid leave, self-employment income or collection of any Employment Insurance benefits. For subsequent periods, you must expect to have no employment or self-employment income. You can also apply for the Canada Emergency Response Benefit if you are eligible for Employment Insurance regular or sickness benefits. Provided it is allowed in your province or territory, you may also receive provincial or territorial support payments at the same time you receive the Canada Emergency Response Benefit.

Do I need to provide any documentation when I apply for the Canada Emergency Response Benefit?

You will need to provide your personal contact information, your Social Insurance Number and confirm that you meet the eligibility requirements. You may be asked to provide additional documentation to verify your eligibility at a future date.

Do I need to be laid off to access the Canada Emergency Response Benefit?

No. Workers who remain attached to their company can receive the Benefit, provided they have stopped working as a result of COVID-19, and expect to be without employment or self-employment income for at least 14 consecutive days within the initial four-week period. For subsequent periods, you expect to have no

employment income. They must also meet the other eligibility requirements. You can also apply for the Canada Emergency Response Benefit if you are eligible for Employment Insurance regular or sickness benefits. You are not eligible for the Canada Emergency Response Benefit if you quit your job voluntarily.

Under what circumstances can I apply for the Canada Emergency Response Benefit?

The Canada Emergency Response Benefit is available to those who stop working for reasons related to COVID-19. Examples of stopping to work could include but are not limited to: 1) You have been let go from your job or your hours have been reduced to zero; 2) You are in quarantine or sick due to COVID-19; 3) You are away from work to take care of others because they are in quarantine, sick due to COVID-19; and/or 4) You are away from work to take care of children or other dependents whose care facility is closed due to COVID-19. You can also apply for the Canada Emergency Response Benefit if you are eligible for Employment Insurance regular or sickness benefits.

If I would be entitled to more than the \$500 per week under Employment Insurance, will I get the higher amount?

No. When you apply for the Canada Emergency Response Benefit, you will receive \$500 per week, regardless of what you may have been eligible to receive through Employment Insurance. However, you retain your eligibility to receive for Employment Insurance after you stop receiving the Canada Emergency Response Benefit, and the period that you received the CERB does not impact your EI entitlement.

How much could I receive through the Canada Emergency Response Benefit?

If you meet the eligibility requirements, you would receive \$500 per week. A maximum 16 weeks of benefits can be paid. The Benefit is taxable although tax will not be deducted at source. You will be expected to report the Benefit as income when you file your income tax for the 2020 tax year.

When and how will I receive my Canada Emergency Response Benefit payment? Is there a waiting period?

Benefits will start within 10 days of you submitting an application. There is no waiting period. Payments will be made through direct deposit or by cheque. You will be paid more quickly if you choose direct deposit. Your payments will be retroactive to your eligibility date.

What is the Canada Emergency Response Benefit?

The Canada Emergency Response Benefit provides temporary income support to workers who have stopped working and are without employment or self-employment income for reasons related to COVID-19 or to individuals who are eligible for Employment Insurance regular or sickness benefits. The new Canada Emergency Response Benefit provides \$500 per week. A maximum 16 weeks of benefits can be paid. The benefit is available from March 15, 2020, to October 3, 2020. You can apply no later than December 2, 2020.

Do I need a medical certificate to receive the Canada Emergency Response Benefit if I am in quarantine or sick from COVID-19?

No. You only need to complete an online application.

Where can I apply for the Canada Emergency Response Benefit?

Service Canada and CRA are working together to ensure Canadians have access to the Benefit in the simplest and fastest way possible. Individuals who are without work and are eligible for Employment Insurance can continue to apply for Employment Insurance [here](#).

Can you receive the Canada Emergency Response Benefit if you are not a citizen or permanent resident?

To be eligible for the Canada Emergency Response Benefit, you must reside in Canada and have a valid Social Insurance Number. Workers who are not Canadian citizens or permanent residents – including temporary foreign workers and international students – may be eligible to receive the Benefit if they meet the other eligibility requirements.

Does the minimum income of \$5,000 have to be earned in Canada?

No. The income does not have to be earned in Canada, but you need to reside in Canada.

If I am already receiving Employment Insurance regular benefits, should I reapply for the Canada Emergency Response Benefit?

No. If you are already receiving Employment Insurance regular benefits, you will continue to receive these benefits until the end of your benefit period. You cannot be paid Employment Insurance benefits and the Canada Emergency Response Benefit for the same period.

I have applied for Employment Insurance regular or sickness benefits, but my claim hasn't been processed yet, do I need to reapply for the Canada Emergency Response Benefit?

No. If you became eligible for Employment Insurance prior to March 15th, your claim will be processed under the pre-existing Employment Insurance rules. If you became eligible for EI regular or sickness benefits March 15th or onward, your claim will be automatically processed through the Canada Emergency Response Benefit. Service Canada is processing all of these claims as quickly as possible.

If I would have been entitled to less than the \$500 per week under Employment Insurance, will I get the \$500?

Yes. When you apply for the Canada Emergency Response Benefit, you will receive \$500 per week, regardless of what you may have been eligible to receive through Employment Insurance.

What if I stopped working before March 15th but only applied for Employment Insurance after March 15th – which benefit will I receive?

If you became eligible for EI regular or sickness benefits prior to March 15th, your claim will be processed under the pre-existing Employment Insurance rules.

If I am on special benefits such as maternity/parental am I eligible to apply for the Canada Emergency Response Benefit?

It is expected that you will return to work when you are finished collecting maternity/parental or other special benefits under the Employment Insurance Program. If work is not available as a result of reasons related to COVID-19 upon conclusion of your maternity/parental leave, you may be eligible to apply for the Canada Emergency Response Benefit, provided you meet the eligibility requirements.

If I am in receipt of dividends am I eligible for the Canada Emergency Response Benefit?

Yes, as long as the dividends are non-eligible dividends (generally, those paid out of corporate income taxed at the small business rate). An individual could count this income towards the \$5,000 income requirement to be eligible for CERB.

Kathleen Harris, ["Trudeau promises more Canadians will be covered by COVID-19 emergency benefit"](#), [CBC.ca](#)

Responding to critics who say many Canadians are falling through cracks in the emergency COVID-19 benefit plan, Prime Minister Justin Trudeau today said more help is on the way for students, those working reduced hours due to the pandemic and struggling businesses. During his daily media briefing, Trudeau said 240,000 people already have applied successfully for the Canada emergency response benefit (CERB) — which opened to applications at 6 a.m. ET today — reportedly without a hitch. But he acknowledged that some people who should qualify for the aid are not getting it. Trudeau said there will be adjustments to the program in the coming days to include people such as gig workers, contractors and volunteer firefighters who work 10 or fewer hours per week. He also said there would be support for those who continue to work but are making less than they would through CERB, such as home care workers or people caring for vulnerable seniors in long-term care facilities.

"You need support now, and work is underway to get it to you as soon as possible," he said.

"For people in all of these situations, we see you, we're going to be there for you and we're working as hard as we can to get you the support you need."

Employment Minister Carla Qualtrough's office said Monday that everything seemed to be going smoothly in the first few hours the online portal was open for CERB applications, which are being managed by the [CRA]. Hundreds of thousands of applications are expected to flood the system in the coming week, and the government says the system is prepared to handle millions of claims...

Current eligibility criteria require a recipient to have lost all income for at least 14 consecutive days in the last month. After the initial month, they must have no source of income. That means someone who works even dramatically reduced hours each week does not qualify. To be eligible, someone also must have been working before being compelled to stop because of COVID-19 restrictions, which means full-time students do not qualify. Trudeau said Sunday the government is looking at ways to address that, including direct income supports. [See section 6 of the *Canada Emergency Response Benefit Act* below]

Backgrounder: Canada Emergency Response Benefit – From: Employment and Social Development Canada (April 1, 2020)

The Canada Emergency Response Benefit provides temporary emergency income support to workers who have stopped working and are without employment or self-employment income for reasons related to COVID-19.

The Canada Emergency Response Benefit replaces the Emergency Care Benefit and the Emergency Support Benefit announced on March 18, 2020.

Eligibility

The CERB will be available to workers: 1) residing in Canada, who are at least 15 years old; 2) who have stopped working because of COVID-19; 3) who had income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application; and 4) who are or expect to be without employment or self-employment income for at least 14 consecutive days in the initial four-week period.

For subsequent benefit periods, they expect to have no employment income.

The Benefit is also available to workers who, after March 15, are eligible for Employment Insurance regular or sickness benefits.

The income of at least \$5,000 may be from any or a combination of the following sources: employment; self-employment; maternity and parental benefits under the Employment Insurance program and/or similar benefits paid in Quebec under the Quebec Parental Insurance Plan.

The Benefit is only available to individuals who stopped work as a result of reasons related to COVID-19. If you have not stopped working because of COVID-19, you are not eligible for the Benefit.

Application process

- Applications for the CERB will open on April 6, 2020 at Canada.ca/coronavirus.
- Applicants will be asked simple questions that help direct them to one of two service options:
- Canadians who would generally be eligible for EI benefits will be directed to apply for the CERB through Service Canada through Appliweb; or
- Canadians who would generally not be eligible for EI benefits will be directed to apply for the CERB through the CRA's MyAccount or CRA's automated toll-free line at 1-800-959-2019.

Canadians calling the toll-free line at 1-800-959-2019 will be connected to the CRA's automated telephone system. This is a dedicated line for CERB applications.

Applicants will need to affirm that they meet the eligibility criteria and information that individuals provide during the application process may be verified at a later time.

The benefit is available from March 15, 2020, to October 3, 2020. You can apply no later than December 2, 2020.

Applying online

Canadians can get ready to apply for the CERB by signing up to My Account or My Service Canada Account. They should also make sure their direct deposit and mailing information is up to date with the CRA.

Amount

The CERB will be paid in blocks of four weeks in the amount of \$2,000, which is equivalent to \$500 per week. If an individual's situation continues, they can re-apply for a payment for multiple 4-week periods, to a maximum of 16 weeks (4 periods).

Processing time

Once the application process opens as of April 6, 2020, Canadians can expect to receive payments within three to five business days through direct deposit or within 10 business days by cheque.

Finance News Release 2020-03-25: Canada Emergency Response Benefit

The Government of Canada is taking strong, immediate and effective action to protect Canadians and the economy from the impacts of the global COVID-19 pandemic. No Canadian should have to choose between protecting their health, putting food on the table, paying for their medication or caring for a family member.

To support workers and help businesses keep their employees, the government has proposed legislation to establish the Canada Emergency Response Benefit (CERB). This taxable benefit would provide \$2,000 a month for up to four months for workers who lose their income as a result of the COVID-19 pandemic. The CERB would be a simpler and more accessible combination of the previously announced Emergency Care Benefit and Emergency Support Benefit.

The CERB would cover Canadians who have lost their job, are sick, quarantined, or taking care of someone who is sick with COVID-19, as well as working parents who must stay home without pay to care for children who are sick or at home because of school and daycare closures. The CERB would apply to wage earners, as well as contract workers and self-employed individuals who would not otherwise be eligible for Employment Insurance (EI).

Additionally, workers who are still employed, but are not receiving income because of disruptions to their work situation due to COVID-19, would also qualify for the CERB. This would help businesses keep their employees as they navigate these difficult times, while ensuring they preserve the ability to quickly resume operations as soon as it becomes possible.

The EI system was not designed to process the unprecedented high volume of applications received in the past week. Given this situation, all Canadians who have ceased working due to COVID-19, whether they are EI-eligible or not, would be able to receive the CERB to ensure they have timely access to the income support they need.

Canadians who are already receiving EI regular and sickness benefits as of today would continue to receive their benefits and should not apply to the CERB. If their EI benefits end before October 3, 2020, they could apply for the CERB once their EI benefits cease, if they are unable to return to work due to COVID-19.

Canadians who have already applied for EI and whose application has not yet been processed would not need

to reapply. Canadians who are eligible for EI regular and sickness benefits would still be able to access their normal EI benefits, if still unemployed, after the 16-week period covered by the CERB.

The government is working to get money into the pockets of Canadians as quickly as possible. The portal for accessing the CERB would be available in early April. EI eligible Canadians who have lost their job can continue to apply for EI here, as can Canadians applying for other EI benefits.

Canadians would begin to receive their CERB payments within 10 days of application. The CERB would be paid every four weeks and be available from March 15, 2020 until October 3, 2020.

This benefit would be one part of the government's COVID-19 Economic Response Plan, to support Canadian workers and businesses and help stabilize the economy by helping Canadians pay for essentials like housing and groceries, and helping businesses pay their employees and bills during this unprecedented time of global uncertainty.

Quotes

"We know that people are worried about their health, their jobs and their financial situations. Our government is doing whatever it takes to protect the health and safety of Canadians, and to support workers, families and businesses. The Canada Emergency Response Benefit would make sure that money gets in the hands of workers as quickly as possible to support them in their time of need, and would help businesses keep their employees during this difficult period. Canadians can rest assured that the government stands ready to take any and all necessary actions as we continue to confront these challenging times together."

- Bill Morneau, Minister of Finance

"Through the Canada Emergency Response Benefit, the Government of Canada would be helping support those Canadians who are unable to work due to the COVID-19 pandemic. It is during these difficult times that Canadians should not have to choose between protecting their health and continuing to support their families. We recognize this, and are there for them."

- Carla Qualtrough, Minister of Employment, Workforce Development and Disability Inclusion

"The government understands that the outbreak of COVID-19 is having a significant impact on all Canadians. Through the Canada Emergency Response Benefit, we would provide much-needed financial support to those who have lost their income because of COVID-19. The Canada Revenue Agency is playing an important role by getting benefit payments to Canadians quickly and efficiently."

- Diane Lebouthillier, Minister of National Revenue

The new Canada Emergency Response Benefit

We will provide a taxable benefit of \$2,000 a month for up to 4 months to:

- i) workers who must stop working due to COVID-19 and do not have access to paid leave or other income support,

- ii) workers who are sick, quarantined, or taking care of someone who is sick with COVID-19,
- iii) 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,
- iv) 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,
- v) wage earners and self-employed individuals, including contract workers, who would not otherwise be eligible for Employment Insurance.

The Canada Emergency Response Benefit 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.

[See the *COVID-19 Emergency Response Act*, PART 2, which enacts the *Canada Emergency Response Benefit Act*]

The *Canada Emergency Response Benefit Act* is enacted as follows:

An Act respecting income support payments for workers (coronavirus disease 2019)

Short title

1 This Act may be cited as the *Canada Emergency Response Benefit Act*.

Definitions

2 The following definitions apply in this Act.

COVID-19 means the coronavirus disease 2019.

Minister means the Minister of Employment and Social Development.

“week” means the period of seven consecutive days beginning on and including Sunday.

“worker” means a person who is at least 15 years of age, who is resident in Canada and who, for 2019 or in the 12-month period preceding the day on which they make an application under section 5, has a total income of at least \$5,000 — or, if another amount is fixed by regulation, of at least that amount — from the following sources:

(a) employment;

(b) self-employment;

(c) benefits paid to the person under any of subsections 22(1), 23(1), 152.04(1) and 152.05(1) of the *Employment Insurance Act*; and

(d) allowances, money or other benefits paid to the person under a provincial plan because of pregnancy or in respect of the care by the person of one or more of their new-born children or one or more children placed with them for the purpose of adoption.

3 With the consent of the Minister of Finance, the Minister may, by regulation, fix an amount for the purposes of the definition worker in section 2.

4 The Minister must make an income support payment to a worker who makes an application under section 5 and who is eligible for the payment.

5 (1) A worker may, in the form and manner established by the Minister, apply for an income support payment for any four-week period falling within the period beginning on March 15, 2020 and ending on October 3, 2020.

(2) No worker is permitted to file an application after December 2, 2020.

(3) An applicant must provide the Minister with any information that the Minister may require in respect of the application.

6 (1) A worker is eligible for an income support payment if

(a) the worker, whether employed or self-employed, ceases working for reasons related to COVID-19 for at least 14 consecutive days within the four-week period in respect of which they apply for the payment; and

(b) they do not receive, in respect of the consecutive days on which they have ceased working, (i) subject to the regulations, income from employment or self-employment, (ii) benefits, as defined in subsection 2(1) of the *Employment Insurance Act*, (iii) allowances, money or other benefits paid to the worker under a provincial plan because of pregnancy or in respect of the care by the worker of one or more of their new-born children or one or more children placed with them for the purpose of adoption, or (iv) any other income that is prescribed by regulation.

(2) An employed worker does not cease work for the purpose of paragraph (1)(a) if they quit their employment voluntarily.

(3) The Minister may, by regulation,

(a) exclude a class of income from the application of subparagraph (1)(b)(i); and

(b) prescribe any other income for the purposes of subparagraph (1)(b)(iv).

7 (1) The amount of an income support payment for a week is the amount fixed by regulation for that week.

(2) With the consent of the Minister of Finance, the Minister may, by regulation, fix the amount of an income support payment for a week specified in the regulation.

(3) Regulations made under subsection (2) may distinguish among different classes of workers.

8 (1) The maximum number of weeks for which income support payments may be made to a worker is 16 weeks or, if another number of weeks is fixed by regulation, that number of weeks.

(2) With the consent of the Minister of Finance, the Minister may, by regulation, fix a number of weeks for the purpose of subsection (1).

9 The Minister is authorized to collect and use, for the purposes of the administration and enforcement of this Act, the Social Insurance Number of a person who makes an application under this Act.

10 The Minister may, for any purpose related to verifying compliance or preventing non-compliance with this Act, by notice served personally or by confirmed delivery service, require that any person provide any information or document within the reasonable time that is stated in the notice.

11 An income support payment (a) is not subject to the operation of any law relating to bankruptcy or insolvency; (b) cannot be assigned, charged, attached or given as security; (c) cannot be retained by way of deduction, set-off or compensation under any Act of Parliament other than this Act; and (d) is not garnishable moneys for the purposes of the Family Orders and Agreements Enforcement Assistance Act.

12 (1) If the Minister determines that a person has received an income support payment to which the person is not entitled, or an amount in excess of the amount of such a payment to which the person is entitled, the person must repay the amount of the payment or the excess amount, as the case may be, as soon as is feasible.

(2) The amount of the erroneous payment or overpayment, as determined by the Minister, constitutes a debt due to Her Majesty in right of Canada, as of the day on which it was paid, that may be recovered by the Minister.

(3) The amount of any debt referred to in subsection (2) may be certified by the Minister, and registration of the certificate in the Federal Court has the same effect as a judgment of that Court for the amount specified in the certificate and all related registration costs.

13 (1) Subject to subsections (2) to (7), no action or proceedings are to be taken to recover money owing under this Act after the expiry of the six-year limitation or prescription period that begins on the day on which the money becomes due and payable.

(2) Money owing by a person under this Act may be recovered at any time by way of deduction from, set-off against or compensation against any sum of money, including an income support payment under this Act, that may be due or payable by Her Majesty in right of Canada to the person, other than an amount payable under section 122.61 of the Income Tax Act.

(3) If a person's liability for money owing under this Act is acknowledged in accordance with subsection (5), the time during which the limitation or prescription period has run before the acknowledgment does not count in the calculation of that period.

(4) If a person's liability for money owing under this Act is acknowledged in accordance with subsection (5) after the expiry of the limitation or prescription period, an action or proceedings to recover the money may, subject to subsections (3) and (6), be brought within six years after the date of the acknowledgment.

(5) An acknowledgment of liability means (a) a promise to pay the money owing, made by the person or their agent, mandatary or other representative; (b) an acknowledgment of the money owing, made by the person or their agent, mandatary or other representative, whether or not a promise to pay can be implied from it and whether or not it contains a refusal to pay; (c) a part payment by the person or their agent, mandatary or other representative of any money owing; or (d) an acknowledgment of the money owing, made in the course of proceedings under the Bankruptcy and Insolvency Act or any other legislation dealing with the payment of debts by the person, their agent, mandatary or other representative or the trustee or administrator.

(6) The running of a limitation or prescription period in respect of money owing under this Act is suspended during any period in which it is prohibited to commence or continue an action or other proceedings against the person to recover money owing under this Act.

(7) This section does not apply in respect of an action or proceedings relating to the execution, renewal or enforcement of a judgment.

14 No interest is payable on any amount owing to Her Majesty in right of Canada under this Act as a result of an erroneous payment or overpayment.

Employment Insurance

If you were recently laid off or have reduced hours and qualify for Employment Insurance benefits, you can submit [your request today](#)... If you are sick, quarantined or have been directed to self-isolate, we will waive the requirement to provide a medical certificate to access EI sickness benefits. [See Part 18 of the *COVID-19 Emergency Response Act* and [P.C. 2020-153](#) (SOR/2020-44), *Regulations Amending the Employment Insurance Regulations*.]

Goods and Services Tax credit (GSTC)

The Government has introduced a one-time special payment to be made by early May through the Goods and Services Tax credit for low-and modest-income families. The average additional benefit will be approximately \$400 for single individuals and \$600 for couples. An individual is not required to apply for this benefit – if eligible, the payment will be automatically made. On its website, under “[Benefits, credits and support payments: CRA and COVID-19](#)”, the CRA states: “April 9 - GST/HST credit payment: The one-time supplementary GST/HST credit payment will be issued starting on April 9, 2020. This payment is part of the Government of Canada's response to the COVID-19 pandemic. You will get the payment automatically if you normally receive the GST/HST credit. It will be mailed to you or deposited into your bank account if you're enrolled for direct deposit”.

Legislation

COVID-19 Emergency Response Act

PART 1

Subsection 2(1)

Section 122.5 [GST/HST credit] of the *Income Tax Act* is amended by adding the following after subsection (3):

(3.001) An eligible individual in relation to a month specified for a taxation year who files a return of income for the taxation year is deemed to have paid during the specified month on account of their tax payable under this Part for the taxation year an amount determined by the formula $0.5(A - B)$ where

A is the total of

- (a) \$580,
- (b) \$580 for the qualified relation, if any, of the individual in relation to the specified month,
- (c) if the individual has no qualified relation in relation to the specified month and is entitled to deduct an amount for the taxation year under subsection 118(1) because of paragraph (b) of the description of B in that subsection in respect of a qualified dependant of the individual in relation to the specified month, \$580,
- (d) \$306 times the number of qualified dependants of the individual in relation to the specified month, other than a qualified dependant in respect of whom an amount is included under paragraph (c) in computing the total for the specified month,
- (e) if the individual has no qualified relation and has one or more qualified dependants, in relation to the specified month, \$306, and
- (f) if the individual has no qualified relation and no qualified dependant, in relation to the specified month, the lesser of \$306 and 2% of the amount, if any, by which the individual's income for the taxation year exceeds \$9,412; and

B is 5% of the amount, if any, by which the individual's adjusted income for the taxation year in relation to the specified month exceeds \$37,789.

Subsection 2(2)

Section 122.5 of the Act is amended by adding the following after subsection (3.01):

(3.02) Notwithstanding subsection (3.001), if an eligible individual is a shared-custody parent (within the meaning assigned by section 122.6, but with the words qualified dependant in that section having the meaning assigned by subsection (1)) in respect of one or more qualified dependants at the beginning of a month, the amount deemed by subsection (3.001) to have been paid during the specified month is equal to the amount determined by the following formula: $0.5(A + B)$ where

A is the amount determined by the formula in subsection (3.001), calculated without reference to this subsection; and

B is the amount determined by the formula in subsection (3.001), calculated without reference to this subsection and subparagraph (b)(ii) of the definition eligible individual in section 122.6.

Subsection 2(3)

Section 122.5 of the Act is amended by adding the following after subsection (4):

(4.1) Notwithstanding subsection (4) and for the purposes of this section, the month specified in subsection (3.001) is May 2020 (or an earlier month designated by the Minister) and the taxation year is the 2018 taxation year.

Subsection 5(1)

Paragraph 152(1)(b) [Assessment] of the Act is replaced by the following:

(b) the amount of tax, if any, deemed by subsection 120(2) or (2.2), 122.5(3) *or* (3.001), 122.51(2), 122.7(2) or (3), 122.8(4), 122.9(2), 122.91(1), 125.4(3), 125.5(3), 125.6(2), 127.1(1), 127.41(3) or 210.2(3) or (4) to be paid on account of the taxpayer's tax payable under this Part for the year. [emphasis added]

Subsection 5(2)

Paragraph 152(1.2)(d) of the Act is replaced by the following:

(d) if the Minister determines the amount deemed by subsection 122.5(3) *or* (3.001) to have been paid by an individual for a taxation year to be nil, subsection (2) does not apply to the determination unless the individual requests a notice of determination from the Minister. [emphasis added]

Subsection 5(3)

Paragraph 152(4.2)(b) of the Act is replaced by the following:

(b) redetermine the amount, if any, deemed by subsection 120(2) or (2.2), 122.5(3) *or* (3.001), 122.51(2), 122.7(2) or (3), 122.8(4), 122.9(2), 122.91(1), 127.1(1), 127.41(3) or 210.2(3) or (4) to be paid on account of the taxpayer's tax payable under this Part for the year or deemed by subsection 122.61(1) to be an overpayment on account of the taxpayer's liability under this Part for the year. [emphasis added]

CRA–COVID-19 - Frequently asked questions: Increase to the GST/HST credit amount

What is the increase to the GST/HST credit amount?

For this payment, the GST/HST credit amounts will be doubled. Any difference between an individual's new entitlement amount (given these doubled amounts) and what they have received so far in regular GST/HST credit payments will be paid out through this new, one-time, supplementary payment.

Will I get the extra payment automatically?

If you normally receive the GST/HST credit amount, you will get the extra payment amount automatically. If you were previously not entitled to the GST/HST credit, and have filed your 2018 tax return, you may also get the one-time credit amount based on your family net income.

What is the extra payment amount based on?

The extra payment amount is calculated based on information from your 2018 tax return.

Do I have to file my 2019 taxes to get the extra amount?

You don't have to file your 2019 taxes to receive the supplementary GST/HST credit amount, the payment will be based on your 2018 taxes. You do have to file your 2019 taxes to ensure you continue to get your benefits and credits for the July 2020 to June 2021 benefit year.

Will I get the extra GST/HST credit amount if I haven't filed a 2018 tax return?

The amount you receive will be calculated based on information from your 2018 tax return. Therefore, if you didn't file taxes for 2018, you won't receive this payment.

If you're late in filing your 2018 taxes, we encourage you to file as soon as possible. You may be eligible for retroactive benefits and credits. The only way to get them is to file.

If you're not entitled for the extra GST/HST credit amount, you may be eligible for the Canada Emergency Response Benefit.

How much will I get?

The one-time payment will be calculated based on information from your 2018 tax return.

The **maximum** amounts for the 2019-2020 benefit year will increase from:

- \$443 to \$886 if you're single
- \$580 to \$1,160 if you're married or living common-law
- \$153 to \$306 for each child under the age of 19 (excluding the first eligible child of a single parent)
- \$290 to \$580 for the first eligible child of a single parent.

There will be no changes to:

- The family net income used to calculate the amount.
- The family net income used to calculate the single supplement.

The current shared custody rules apply (shared custody parents get half of the amount they would otherwise receive in respect of a shared custody child).

Example:

Sam is single. For the 2019-2020 benefit year, he received an annual base credit amount of \$290. His GST/HST credit entitlement is \$290 (four quarterly payments of \$72.50). His one-time supplementary payment will be \$290.

Canada Child Benefit (CCB) payment amounts

An extra \$300 per child is being provided through the [Canada Child Benefit](#) (CCB) for 2019-20. This measure is intended to provide approximately \$550 more for the average family. The benefit will be delivered as part of the scheduled CCB payment in May.

Legislation*COVID-19 Emergency Response Act*

PART 1

Section 3

Section 122.61 of the Act is amended by adding the following after subsection (1):

(1.01) If the month referred to in subsection (1) is May 2020, each amount expressed in dollars referred to in paragraphs (a) and (b) of the description of E in subsection (1) is deemed, for that month, to be equal to that amount (as adjusted under subsection (5)) plus an additional amount of \$3,600. For greater certainty, the adjustment in subsection (5) shall not take into account this additional amount.

Registered Retirement Income Funds (RRIFs)

The Government is reducing the required minimum withdrawals from Registered Retirement Income Funds (RRIFs) by 25% for 2020.

COVID-19 Emergency Response Act

PART 1

Section 4

Section 146.3 of the Act is amended by adding the following after subsection (1.3):

Adjusted minimum amount for 2020

(1.4) The minimum amount under a retirement income fund for 2020 is 75% of the amount that would, in the absence of this subsection, be the minimum amount under the fund for the year.

Exceptions

(1.5) Subsection (1.4) does not apply to a retirement income fund for the purposes of subsections (5.1) and 153(1) and the definition periodic pension payment in section 5 of the *Income Tax Conventions Interpretation Act*.

Section 7

Section 8506 of the Income Tax Regulations is amended by adding the following after subsection (7):

(7.1) The minimum amount for a member's account under a money purchase provision of a registered pension plan for 2020 is 75% of the amount that would, in the absence of this subsection, be the minimum amount for the account for the year.

Canada Revenue Agency – Economic Statement - New Measure for Annuitants of Registered Retirement Income Funds

On March 18, 2020 the Right Honourable Justin Trudeau, Prime Minister of Canada, announced a set of economic measures as part of the Government of [Canada's Covid-19 Economic Response Plan](#). That statement included proposed changes to the calculation of the 2020 required minimum withdrawal for registered retirement income funds (RRIF). This measure also applies to individuals receiving variable benefit payments from a defined contribution registered pension plan (RPP) and a pooled registered pension plan (PRPP). Therefore, in this notice, all references to a RRIF includes variable benefit payments from a defined contribution RPP or a PRPP.

The following questions and answers are provided to help financial institutions, RRIF annuitants, as well as sponsors and members of defined contribution registered pension plans and pooled registered pension plans, understand the changes.

1. What are the changes?

The main changes are the following:

The minimum amount that must be withdrawn from RRIFs will be reduced by 25% for 2020. For example, if the 2020 minimum amount would have been \$10,000, the reduced minimum amount will be \$7,500.

The minimum amount for individuals receiving variable benefit payments under a defined contribution registered pension plan or pooled registered pension plan will also be reduced by 25% in 2020. Variable benefits are payments made to plan members from a defined contribution pension plan or pooled registered pension plan in a manner similar to a RRIF. Therefore, in this notice, all references to a RRIF apply to variable benefit payments as well.

2. What is the status of the Government's announcement to reduce the required RRIF minimum withdrawals for 2020 by 25%?

On March 18, 2020, the Prime Minister announced a new set of economic measures to help stabilize the economy during this challenging period. One of the measures reduces the required minimum withdrawals from Registered Retirement Income Funds (RRIFs) by 25% for 2020. These measures were delivered as part of

the Government of [Canada's COVID-19 Economic Response Plan](#). The proposal was included in a detailed Notice of Ways and Means Motion tabled in the House of Commons on Tuesday, March 24, 2020. The legislation containing these measures received Royal Assent on Wednesday, March 25, 2020 and is now law.

3. Will individuals who have already withdrawn more than the reduced 2020 minimum amount be permitted to re-contribute to their RRIFs an amount up to the 25% proposed reduction?

No. Individuals who have already withdrawn more than the reduced 2020 minimum amount will not be permitted to re-contribute to their RRIFs an amount up to the 25% proposed reduction.

4. Is the 25% reduction to the minimum amount applicable for 2020 and future years?

No. These changes apply only for 2020.

5. Do the changes apply to Life Income Funds and other locked-in RRIFs?

Yes. These changes apply to all types of RRIFs.

6. There is no tax withheld when the minimum amount is withdrawn from a RRIF. If I chose to withdraw the unreduced minimum amount in 2020, will I have tax withheld?

No. Tax will only be withheld if you withdraw more than your unreduced minimum amount for 2020.

Mortgage support

[Per Finance News Release 2020-03-25]

The Canada Mortgage and Housing Corporation and other mortgage insurers offer [tools to lenders](#) that can assist homeowners who may be experiencing financial difficulty. These include payment deferral, loan re-amortization, capitalization of outstanding interest arrears and other eligible expenses, and special payment arrangements. Canada's mortgage insurers are committed to providing homeowners with solutions to mitigate temporary financial hardship related to COVID-19. This includes permitting lenders to defer up to six monthly mortgage payments (interest and principal) for impacted borrowers. Deferred payments are added to the outstanding principal balance and subsequently repaid throughout the life of the mortgage.

Take advantage of the CRA's digital services

With the outbreak of COVID-19, you can use the CRA's secure [digital services](#) to interact with the CRA and easily manage your tax affairs. These services can help you track your refund, view or change your return, check benefit and credit payments, view RRSP limits, set up or update direct deposit, and receive email notifications. Individuals registered for [My Account](#) can access certified software that has features that make tax-filing even easier: [Auto-fill my return](#) automatically fills in parts of your tax return with information the CRA has on file; [Express NOA](#) gives you your notice of assessment right after the CRA receives and processes your return; [ReFILE](#) allows you to make changes to your return using certified tax software.

If you are registered for [My Business Account](#) you can: receive your mail online; submit documents; view and pay balances; transfer payments

Volunteer tax clinics

The Canada Revenue Agency (CRA) and Revenu Québec expect that many community organizations may reduce or cancel services provided under the Community Volunteer Income Tax Program and Volunteer Income Tax Assistance program. If you're planning to go to a free tax clinic, check our tax clinic directory before you go. Due to the extension of the filing season from April 30 to June 1, 2020, there may be opportunities for community organizations that have suspended operations to re-establish their services prior to the June 1 filing deadline. You will need to authorize a volunteer before they can file taxes or discuss matters on your behalf. Learn about the changes to electronic signatures when authorizing a representative.

Other filing methods

We understand that you may no longer be able to attend our tax clinics due to concerns surrounding the COVID-19 virus. There are several other options for you to file your taxes:

- NETFILE: File online using CRA certified tax-filing software (free and paid options available)
- Paper filing: You can still file your income tax and benefit return on paper
 - if you filed on paper last year and your address with the CRA is up-to-date, you should have received your paper tax package in the mail by February 17, 2020
 - view or order the Income tax package for 2019, or call the CRA at 1-855-330-3305 to order a copy (make take up to 10 days for delivery)
- File my Return: File your income tax and benefit return using our free and secure automated telephone service
 - invitation letters were mailed to eligible individuals with low or fixed incomes whose situations remain unchanged from year to year
 - for residents of Québec, only the federal portion of the income tax and benefit return is completed

For other ways to file your taxes, go to [Doing your taxes](#).

For information on filing a Québec provincial tax return, contact [Revenu Québec](#).

Outreach activities

The CRA is adapting its Outreach Program to support individuals during COVID-19. Through this service, the CRA can help individuals to better understand their tax obligations and to help them get the benefits and credits they are entitled. Traditionally available in-person, this service is now available over the phone, where possible by completing an online request for an information session. Outreach officers are being asked to maintain contact with partner organizations and associations to discuss the situation and concerns they may

have with any planned activities. They will provide information, links, and documents to support partner organizations in helping taxpayers, where possible.

Additional Sources

See also:

- [COVID-19: How the federal government is supporting small business](#) (Canadian Federation of Independent business), [COVID-19 Small Business Help Centre](#);
- McCarthy Tétrault [COVID-19: Economic relief measures announced to date](#) (lawyers from across the firm break down the economic relief measures put in place by the federal and provincial governments to date – the article is regularly updated with new measures as they are announced), [COVID-19 Hub: Latest Updates and Legal Considerations for Your Business](#), [Tax Measures Under Canada's COVID-19 Economic Response Plan](#);
- For a detailed summary table that groups together all the COVID-19 Tax and Financial measures for Canada, Quebec, Ontario, British Columbia, Alberta, and a number of cities and public entities for both individuals and businesses, see fasken.com/en/knowledge/2020/03/30-covid19-tax-plan-canada-and-quebec-region/ under “Download Our Full Brochure”.
- [Osler web page focused on COVID-19 business and legal issues](#);
- BLG, “[COVID-19: Breaking developments and essential resources](#)”, updated daily (provides an extensive summary of announcements, programs & resources, and emergency legislation, including at the federal, provincial, and municipal levels). See also the following articles: “[COVID-19 and corporate governance: leading proxy advisors weigh in](#)” (April 7) and “[Share buybacks during COVID-19: Considerations for public companies](#)” (April 7);
- CPA Canada’s [Covid-19 updates page](#);
- Jennifer Robson (associate professor in the Master of Political Management program), University of Carleton, “[Professor Creates Plain Language Guide to Obtaining Government Aid](#)” (updated regularly);
- home.kpmg/ca/en/home/insights/2020/03/the-business-implications-of-coronavirus.html;
- KPMG, [COVID-19 | Financial reporting](#) (Resource centre on the financial reporting impacts of coronavirus – updated daily);
- Blakes, “Navigating an M&A Deal Amid Covid-19”, *Mergers & Acquisitions Newsletter* (Taxnet Pro), March 23, 2020;
- Torys, “COVID-19: M&A considerations”, and “COVID-19: U.S. considerations for Canadian public companies”, March 19, 2020;
- Blakes, “How COVID-19 Is Impacting Canada-U.S. Border Crossings”, available on *Taxnet Pro*, March 24, 2020;
- CTF [COVID-19 page](#).

Ontario

The Minister of Finance released an economic and fiscal update on March 25, 2020 instead of a full budget. Furthermore, the province released [Ontario's Action Plan 2020: RESPONDING TO COVID-19](#). Excerpts from the Action Plan with tax implications are reproduced below:

\$3.7 billion to support people and jobs, including:

- \$75 million in urgent additional support for 194,000 low-income seniors by proposing to double the Guaranteed Annual Income System (GAINS) maximum payment to \$166 per month for individuals and \$332 per month for couples, for six months starting in April 2020;
- Helping families pay for extra costs associated with school and daycare closures during the COVID-19 outbreak by providing a one-time \$200 payment per child up to 12 years of age, and \$250 for those with special needs including kids enrolled in private schools;
- Providing six months of Ontario Student Assistance Program (OSAP) loan and interest accrual relief, in coordination with the federal government's measures, leaving more money in the pockets of student borrowers;
- Providing new, additional support of \$26 million to Indigenous peoples and communities, including emergency assistance for urban Indigenous people in financial need, costs for health care professionals and critical supplies to reach remote First Nations, as well as funding to address emergency planning and self-isolation needs for people in First Nation communities;
- \$200 million in new funding to provide temporary emergency supports for people in financial need as well as funding to municipalities and other service providers to respond to local needs; for example, food banks, homeless shelters, churches and emergency services;
- Making electricity bills more affordable for eligible residential, farm and small business consumers through a \$1.5 billion increase in electricity cost relief compared to the 2019 Budget. The government is also setting electricity prices for time-of-use customers at the lowest rate, known as the off-peak price, 24 hours a day for 45 days, to support ratepayers in their increased daytime electricity usage as a result of measures to contain the COVID-19 outbreak;
- \$9 million in direct support to families for their energy bills by expanding eligibility for the Low-income Energy Assistance Program (LEAP) and ensuring that their electricity and natural gas services are not disconnected for nonpayment during the COVID-19 outbreak;
- Cutting taxes by \$355 million for about 57,000 employers through a proposed temporary increase to the Employer Health Tax (EHT) exemption;
- Helping to support regions lagging in employment growth with a proposed new Corporate Income Tax credit — the Regional Opportunities Investment Tax Credit; and
- Supporting the timely delivery of critical food and supplies by amending a regulation that restricted delivery trucks from operating during off-peak hours.

\$10 billion in support for people and businesses to improve cash flows by:

- Providing a five-month interest and penalty-free period to make payments for the majority of provincially administered taxes, providing \$6 billion in relief to help support Ontario businesses when they need it the most;

- Deferring the upcoming quarterly (June 30) remittance of education property tax to school boards by 90 days. This will provide municipalities with the flexibility to, in turn, provide property tax deferrals of over \$1.8 billion to local residents and businesses; and
- Providing \$1.9 billion in new financial relief by the Workplace Safety and Insurance Board (WSIB) allowing employers to defer payments for a period of six months.

Fiscal prudence at historical levels, including:

- A dedicated \$1.0 billion COVID-19 contingency fund as part of the additional health care investments;
- An increased contingency fund of \$1.3 billion; and
- An unprecedented reserve of \$2.5 billion — the largest in Ontario's history — to provide continued flexibility to respond to changing global circumstances...

Supporting People and Jobs

People across Ontario are responding to the evolving COVID-19 outbreak by taking additional precautions to keep themselves, their families and their communities safe. They should not be penalized for acting responsibly and doing the right thing by following the advice of public health officials. Building on coordinated actions with the federal government, Ontario is taking immediate steps to support people and families by planning to invest \$3.7 billion in supports for people and jobs in response to the COVID-19 outbreak.

Seniors

The Province is providing immediate financial support of an additional \$75 million to 194,000 vulnerable seniors, who may need more help to cover essential expenses during the COVID-19 outbreak, by proposing to double the Guaranteed Annual Income System (GAINS) maximum payment for low-income seniors, for six months starting in April 2020. This would increase the maximum payment to \$166 per month for individuals and \$332 per month for couples. The government is also helping seniors by providing \$5 million to support the coordination of subsidized deliveries of meals, medicines and other essentials, by working with local businesses and charities as well as existing health services.

Parents

To help parents pay for the extra costs associated with the closure of schools and daycares during the COVID-19 outbreak, the government is providing a one-time payment of \$200 per child up to 12 years of age, and \$250 for those with special needs, including kids enrolled in private schools. As part of the government's efforts to contain the COVID-19 outbreak, Ontario is also providing emergency child care options to enable parents who are front-line workers to report for work, such as health care workers, police officers, fire fighters and correctional officers.

[See also News Release 2020-04-06: [Province Providing One-time Financial Assistance During School and Child Care Closures](#)]

Students

The government is temporarily suspending Ontario Student Assistance Program (OSAP) loan repayments between March 30, 2020 and September 30, 2020, during which time borrowers will not be required to make any loan or interest payments. In coordination with the federal government's measures, this will immediately leave more money in the pockets of student borrowers during these challenging economic times.

Workers

The government is taking further measures to support Ontario workers, with initiatives including:

Quickly passing legislation to provide job-protected leave to employees in isolation or quarantine, or those who need to be away from work to care for children because of school or daycare closures due to the COVID-19 outbreak; Committing \$100 million in funding through Employment Ontario for skills training programs for workers affected by the COVID-19 outbreak; and Working with the federal government to find ways to support apprentices and enable businesses to continue to retain these skilled trades workers during the COVID-19 outbreak.

Indigenous Peoples and Communities

The government is providing supports of \$26 million for Indigenous peoples and communities, including emergency assistance for urban Indigenous people in financial need and costs for health care professionals and critical supplies to reach remote First Nations.

Vulnerable People

During the COVID-19 crisis, it is particularly important to support vulnerable people, including those who are homeless, unemployed or living in poverty. That is why the government is: Investing \$52 million to expand access to the emergency assistance program administered by Ontario Works to provide financial support to people facing economic hardship and help them with basic needs, such as food and rent during this public health emergency; Enhancing funding for charitable and non-profit social services organizations, for example food banks, homeless shelters, churches and emergency services such as the Red Cross, to improve their ability to respond to the COVID-19 outbreak. The government is doing this by providing \$148 million directly to Consolidated Municipal Service Managers and District Social Service Administration Boards who would allocate this funding based on local needs; and Equipping essential first responders and front-line staff in the justice sector with the necessary personal protective equipment and other critical supplies required to ensure the safety and security of all people in Ontario during the COVID-19 outbreak.

Electricity Relief

The government is supporting people and businesses with the costs of electricity during the COVID-19 outbreak. That is why the government is: Providing \$9 million in direct support to families for their energy bills by expanding eligibility for the Low-income Energy Assistance Program (LEAP) and by ensuring that their electricity and natural gas services are not disconnected for nonpayment during the COVID-19 outbreak; and Supporting more affordable electricity bills for eligible residential, farm and small business consumers, by providing approximately \$5.6 billion for electricity cost relief programs in 2020–21. This is an increase of

approximately \$1.5 billion compared to the 2019 Budget plan. The Province is also 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 to support ratepayers in their increased daytime electricity usage as they respond to the COVID-19 outbreak, addressing concerns about time-of-use metering.

Employer Health Tax

The government is cutting taxes by \$355 million for about 57,000 employers by proposing a 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. 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. About 57,000 private-sector employers would pay less EHT, including about 30,000 who would not pay any EHT for 2020, effectively eliminating EHT for these employers for one year. The exemption would return to its current level of \$490,000 on January 1, 2021.

Regional Opportunities Investment Tax Credit

To support business investment in regions of the province where employment growth has been significantly below the provincial average, Ontario is proposing a new 10 per cent refundable Corporate Income Tax credit. The Regional Opportunities Investment Tax Credit would be available to eligible businesses that construct, renovate or acquire qualifying commercial and industrial buildings in designated regions of the province, saving them up to \$45,000 in the year.

Support for People and Businesses to Improve Cash Flow

Ontario is making \$10 billion available to improve cash flows for people and businesses through tax and other deferrals over the coming months to provide relief during this challenging economic time, in coordination with the federal government.

\$6 Billion in Tax Deferrals

To help support Ontario businesses when they need it most, the government is providing a five-month interest and penalty-free period for businesses to make payments for the majority of provincially administered taxes. Beginning April 1, 2020, the Province is providing flexibility to about 100,000 businesses in Ontario to help manage their cash flows during this challenging time. This will continue for a period of five months, up until August 31, 2020, and is expected to make available \$6 billion to improve the cash flows of Ontario businesses. For this period, the Province will not apply any penalty or interest on any late-filed returns or incomplete or late tax payments under select provincially administered taxes, such as the Employer Health Tax, Tobacco Tax and Gas Tax. The initiative and relief period complement the relief from interest and penalties from not remitting Corporate Income Tax owing that was announced by the federal government on March 18, 2020.

\$1.8 Billion in Education Property Tax Deferrals

The Province recognizes that many residents and businesses are facing challenges in making their scheduled property tax payments. The government is working closely with municipalities as they introduce measures to

provide property tax relief, for example, by allowing taxpayers to defer property tax payments. To encourage these actions, the government is deferring the property tax payments municipalities make to school boards by 90 days. In addition to collecting municipal property taxes, municipalities collect and remit education property taxes to school boards on a quarterly basis. Deferring the June 30 quarterly remittance to school boards by 90 days will provide municipalities with the flexibility to, in turn, provide over \$1.8 billion in property tax deferrals to residents and businesses. To ensure this does not have a financial impact on school boards, the Province will adjust payments to school boards to offset the deferral.

\$1.9 Billion in Workplace Safety Expenses

Working in conjunction with the government of Ontario, the Workplace Safety and Insurance Board (WSIB) will allow employers to defer payments for a period of six months. This will provide employers with \$1.9 billion in financial relief. All employers covered by the WSIB's workplace insurance are automatically eligible for the financial relief package. Schedule 1 employers with premiums owed to the WSIB will be allowed to defer reporting and payments until August 31, 2020. The deferral will also apply to Schedule 2 businesses that pay WSIB for the cost related to their workplace injury and illness claims. In addition, no interest will be accrued on outstanding premium payments and no penalties will be charged during this six-month deferral period.

Responsibly Managing the Province's Finances

Events like the COVID-19 outbreak underscore why governments must be positioned to act in a time of crisis. Through its action plan, Ontario is immediately allocating the necessary resources to tackle the COVID-19 outbreak, while continuing to invest in people. As a result, the 2020–21 deficit is projected to be \$20.5 billion. This plan builds on the government's responsible approach to managing Ontario's finances with measures to provide further flexibility to respond to this rapidly changing global outbreak. This includes historic levels of prudence, including a dedicated \$1.0 billion COVID-19 contingency fund, an increased contingency fund of \$1.3 billion and an unprecedented reserve of \$2.5 billion, the largest in Ontario's history. Ontario's strong economic fundamentals have positioned the government to respond decisively to this outbreak. The Province will continue to actively monitor and mitigate risks, coordinating with partners and other levels of government, while continuing to retain flexibility to respond as conditions evolve.

Conclusion

Ontario's Action Plan: Responding to COVID-19 outlines the government's first steps to protect public health, and support people and jobs. Ontario will continue to work diligently with health experts, business leaders, financial institutions, economists and municipal and federal partners to respond swiftly and effectively to this outbreak, so that the people of Ontario are supported and protected during the COVID-19 outbreak. The people and businesses of Ontario have shown immense cooperation, resilience and determination to tackle this crisis by helping one another. To every family, person, business and community — the Ontario government is right there beside you.

Canadian Federation of Independent Business – [Ontario: COVID-19 relief measures for your business](#)

We know that this is a difficult time, full of uncertainty. The information you need to run your business changes rapidly, and it can be hard to keep track and make sense of it all. In order to relieve some of the

pressure on small businesses such as yours, we are gathering all the information you need about government services and supports in Ontario and putting it in this one location. We will continue working with governments to ensure additional relief measures become available for your business as the situation evolves. Please check back regularly. We will update this page as more information becomes available.

Ontario State of Emergency

The Government of Ontario declared all non-essential businesses must close by 11:59 pm on March 24, 2020. The closure will last for a minimum of 14 days. On April 3, 2020, the Government of Ontario updated its essential businesses list. The new list will take effect at 11:59PM on Saturday, April 4, 2020. Please [consult this page](#) to determine if your business is on the essential services list. If you are unsure if you are an essential business, please call the Stop the Spread Business Information Line at 1-888-444-3659.

Support for businesses

In its Spring Fiscal Update, the Ontario government announced the following measures to support small businesses: 1) 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 with no interest or penalty; 2) WSIB premium deferrals until August 31, 2020 with no interest or penalty; 3) Business Education Property Tax deferrals for one payment quarter (90 days after June); 4) Employer Health Tax (EHT) exemption threshold increased to \$1-million for the next year; 5) Property tax reassessments being conducted this year for the 2021 tax year have been postponed. Please check the [government website](#) for a full list of measures in the Spring Update. The Ontario government also announced [an end to Time-of-Use electricity pricing](#) during the COVID-19 outbreak. Effective immediately, electricity will be priced at "low-peak" - 10.1 cents/kwh - at all hours of the day for the next 45 days.

Support for self-employed

The government of Ontario has indicated that there will be supports for the self-employed; however, there are no details at this time.

Support for employees

If you need to lay off employees temporarily, there is no requirement to give or pay notice since the employee is not being terminated. 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. Ontario has extended job-protection for employees unable to work because: 1) The employee is under medical investigation, supervision or treatment for COVID-19. 2) The employee is acting in accordance with an order under the *Health Protection and Promotion Act*. 3) The employee is in isolation or quarantine. 4) The employee is acting in accordance with public health information or direction. 5) The employer directs the employee not to work. 6) The employee needs to provide care to a person for a reason related to COVID-19 such as a school or day-care closure. The protections are retroactive to January 25, 2020. Ontario employers are also restricted from asking for doctor's notes for COVID-19 related leaves, including quarantine, self-isolation or childcare responsibilities due to COVID-19 related school and daycare closures.

Workers' Compensation

As part of its Spring Fiscal Update, the Ontario government deferred WSIB premium payments until August 31, 2020 with no interest or penalty. Stay tuned to the [WSIB website](#) for the latest updates.

How you can help the province

The Government of Ontario announced a new website to help businesses work with the province to meet the challenges of COVID-19. Any business that could produce - or reconfigure to produce - essential equipment, from ventilators and masks to swabs and eye-protection, is encouraged to visit the [Ontario Together](#) webpage.

What is CFIB doing?

CFIB's Ontario legislative team is working around the clock to make sure government officials know what your business needs are. Currently we are asking the Ontario government to: 1) Implement a provincial wage subsidy to keep employees on payrolls and avoid layoffs; 2) Provide rent relief and certainty for commercial tenants and landlords; 3) Provide WSIB rebates this year so that surplus funds are returned to the employers who paid them; 4) Freeze all audits across government; 5) Encourage municipalities to waive interest and penalty fees for any late property tax payments

FAQ on COVID-19

We're dedicated to supporting your business through this difficult time by compiling answers to the most common COVID-19 questions and keeping you up to date on the [latest relief measures from the Federal government](#). Visit our [Small Business Help Center](#) to learn more.

Other

See also Ontario News Releases **2020-04-09: [Ontario Starts Planning for Economic Recovery](#)** and 2020-04-06: [Ontario Providing Relief for Remote Northern Property Taxpayers During COVID-19](#) (taxpayers in unincorporated areas in northern Ontario may defer payment of 2020 Provincial Land Tax instalments by up to 90 days without interest or penalties).

Quebec

[COVID-19: FAQ for Businesses](#)

Businesses – Corporation income tax

What is the deadline for filing the corporation income tax return?

Some corporations must normally file the Déclaration de revenus des sociétés (CO-17) no later than the date that is six months after the end of their taxation year. If that date falls in the period between March 17, 2020, and May 31, 2020, those corporations have until June 1, 2020, to file the return.

What measures are provided for corporation income tax instalments?

Corporations that would normally have to pay instalments in the period between March 17, 2020, and August 31, 2020, now have until September 1, 2020 to do so. Interest will accrue from September 2, 2020, on any payment not received by September 1, 2020.

Note: Instalment payments are not deferred for the compensation tax for financial institutions, the tax on capital for insurance corporations or the tax on capital for life insurance corporations.

What measures are provided for corporation income tax balances?

A corporation must normally pay its income tax balance no later than the date that is two months after the end of its taxation year. If that date falls in the period between March 17, 2020, and August 31, 2020, the corporation has until September 1, 2020, to pay its balance. Interest will accrue from September 2, 2020, on any payment not received by September 1, 2020.

Note: Payment is not deferred for the compensation tax for financial institutions, the tax on capital for insurance corporations or the tax on capital for life insurance corporations.

Businesses – Partnership Information Return

What measures are provided for the Partnership Information Return?

Partnerships that would normally file the *Partnership Information Return* ([TP-600-V](#)) during the period between March 17, 2020, and April 30, 2020, for the fiscal period ending in 2019 now have until May 1, 2020, to file the return.

Businesses – Mining tax

What measures are provided for mining tax instalments?

The measures deferring payment of corporation income tax instalments and balances also apply to the mining tax. For more information, see *Businesses – Corporation income tax* above. However, the *Mining Tax Return* ([IM-30-V](#)) must be filed by the usual deadline.

Businesses – Information Return for Registered Charities and Other Donees

Has the deadline to file the *Information Return for Registered Charities and Other Donees* been extended?

The deadline for filing the *Information Return for Registered Charities and Other Donees* ([TP-985.22-V](#)) has been extended to December 31, 2020, for registered charities that are required to file the return between March 17, 2020, and December 30, 2020. This measure also applies to other donees that are required to file form TP-985.22-V during the same period.

Businesses – Déclaration de revenus et de renseignements des sociétés sans but lucratif

Has the deadline for filing the *Déclaration de revenus et de renseignements des sociétés sans but lucratif* been extended?

Non-profit corporations must normally file the *Déclaration de revenus et de renseignements des sociétés sans but lucratif* ([CO-17.SP](#)) and the *Information Return for Tax-Exempt Entities* ([TP-997.1-V](#)), if applicable, by the date that is six months after the end of their taxation year. If that date falls between March 17, 2020, and May 31, 2020, the corporation has until June 1, 2020, to file the returns.

Businesses – GST/HST, QST and other taxes

What are the deadlines for filing GST/HST and QST returns?

The deadlines for filing GST/HST and QST returns remain the same. If you are able to file the returns by the usual deadlines, you should do so. However, you will not be charged a penalty if you file, by June 30, 2020, all returns that you would normally have been required to file between March 27, 2020, and June 1, 2020. The usual filing and payment deadlines set out in tax legislation apply to returns with a filing deadline after June 1, 2020.

What measures are provided for GST/HST and QST payments and instalments?

The deadline for paying GST/HST and QST related to returns that would normally be filed between March 27, 2020, and June 1, 2020, has been extended to **June 30, 2020**. The same applies to instalment payments.

Is Revenu Québec still processing refunds?

Yes. Given the circumstances, we are temporarily prioritizing tax refunds to ensure you quickly receive the money you need. Note that you can now file fillable PDFs of some tax refund applications using our online service in [My Account for businesses](#). Use our online services to ensure your application is processed faster.

Are there measures for other taxes?

No special measures have been announced for other taxes, such as: the specific tax on alcoholic beverages; the tax on insurance premiums; the tax on lodging (operators of accommodation establishments or digital

accommodation platforms); the specific duty on new tires; the municipal tax for 9-1-1 service; the fuel tax; the tobacco tax.

Businesses – Source deductions and employer contributions

Have the deadlines for reporting source deductions and employer contributions and paying amounts due been extended?

No. The usual deadlines apply, regardless of your remittance frequency.

Businesses – General information

What is currently the fastest way to receive a refund?

Direct deposit is the fastest way to receive a refund. For information about registering for direct deposit, see [Direct Deposit of Refunds](#).

What is currently the fastest, safest way to file a return?

Online is the fastest, safest way to file a return, since it reduces physical handling of documents. For more information, see our [online services](#) for businesses.

Tax preparers

What are the relief measures for tax preparers?

To limit in-person contact, Revenu Québec will now allow preparers to use an electronic signature on some forms that their clients must sign. The forms in question are form [TP-1000.TE-V](#) (for individuals) and form [CO-1000.TE](#) (for corporations).

Summary Tables

For an overview of the exceptional measures for businesses, see [COVID-19 Measures for Businesses: Summary Tables](#).

[COVID-19: FAQ for Individuals](#)

Individuals – Incentive Program to Retain Essential Workers (IPREW)

Am I eligible for the Incentive Program to Retain Essential Workers (IPREW)?

You could be eligible for the program if you: work part-time or full-time in an essential service This link will open a new tab sector; earn gross wages of \$550 or less per week; have an annual employment income of at least \$5,000 for 2020; have a total annual income of no more than \$28,600 for 2020; are at least 15 years old when you apply for assistance under the IPREW; and were resident in Québec on December 31, 2019, and plan to reside in Québec throughout 2020. Important: To receive this assistance for a given week covered by

the program, you must not have received amounts under the Canada Emergency Response Benefit (CERB) or the temporary aid for workers program for that same week. Note that you are still eligible even if your employer receives assistance under the Canada Emergency Wage Subsidy.

How can I apply for the new assistance available to essential workers?

To receive amounts under the IPREW, you must apply online between May 19 and November 15, 2020.

To apply: register online now for: My Account for individuals; direct deposit (if you are already registered for direct deposit, make sure your banking information is correct). Starting May 19, use our Apply for the Incentive Program to Retain Essential Workers online service. Note that the first payment will be made on May 27, 2020. Note that if you cannot register for direct deposit, you can receive the total amount you are eligible for in a single cheque when the program is over in July 2020.

How much can I receive under the Incentive Program to Retain Essential Workers and when will payments be made?

If you are eligible, you will receive \$100 per week for up to 16 weeks, retroactive to March 15, 2020. This amount cannot be seized to pay any outstanding debt you may have with Revenu Québec. The first payment will be made on May 27, 2020. For example, an essential worker who applies for the program on May 19 and who has been working since March 15, 2020 and intends to continue working for at least 16 weeks will receive \$1,600, paid as follows: May 27: \$1,000 for the period from March 15 to May 23; June 10: \$200 for the period from May 24 to June 6; June 24: \$200 for the period from June 7 to June 20; July 8: \$200 for the period from June 21 to July 4.

What if my wages change during the year and my total annual income ends up being more than the maximum eligible amount?

Revenu Québec will make adjustments as needed when processing income tax returns for 2020, including recovering any overpayments that were made. If, at the end of the year, your total annual income is more than the maximum eligible amount, contact Revenu Québec. If you were eligible when you applied for assistance, Revenu Québec will recover only the amount that was overpaid to you, penalty-free.

Penalty

In the case of fraudulent claims, Revenu Québec can recover any financial assistance granted and apply a penalty equal to 50% of the amounts paid.

Individuals – Income tax return

What is the deadline for filing my income tax return?

The deadline for filing your income tax return for 2019 has been extended to June 1, 2020.

What is the deadline for paying an income tax balance for 2019?

For individuals and individuals in business, the deadline for paying an income tax balance for 2019 has been extended to September 1, 2020. Note: If you received a notice of assessment for the 2019 taxation year showing that you have until April 30, 2020, to pay the balance due, note that this information is no longer up to date. You now have until September 1, 2020, to pay the balance.

What's happening with instalment payments?

If you are required to make instalment payments, the June 15 payment can be made as late as September 1, 2020.

What's happening with solidarity tax credit payments?

Even though the income tax return filing deadline has been extended, Revenu Québec will make payments as planned on July 1.

Should I wait to file my income tax return?

If you expect to receive a refund, you should file your return right away to get it as soon as possible.

Individuals – Support payments

Is Revenu Québec still collecting support payments?

Yes. In accordance with the law, Revenu Québec will continue to collect support payments.

Is Revenu Québec still making support payments?

Yes. In accordance with the law, Revenu Québec will continue to make support payments.

I pay support and have been laid off. How can I get my support payments reduced?

Only a court can modify the amount of support established in a judgment. If you are unable to make your support payments because your situation has changed, you must obtain a new judgment. For more information, visit the Ministère de la Justice. This link will open a new tab website.

I pay support and have been laid off. How do I let Revenu Québec know?

Please call client services and leave a message explaining your situation. One of our agents will call you back as soon as possible. When we call back, you will need to answer a few questions to identify yourself using information from a recent notice of assessment or from a recent letter we sent you. Please have one of those documents on hand before we call you back. Remember that your notices of assessment are available in My Account for individuals. To register for My Account or to log in, click My Account for Individuals.

We recently received a judgment. Will it be processed?

Yes. In accordance with the law, Revenu Québec will continue to process support judgments. I receive support, and the person paying it will be receiving the Canada Emergency Response Benefit (CERB).

Can this benefit be seized?

No. This benefit This link will open a new tab cannot be seized.

Is there a way to find out whether my next support payment will be made as usual?

Yes. Use My Account for individuals a few days before the payment date to see whether the payment is being prepared. To register for or access My Account, go to My Account for individuals.

I owe support-payment arrears and will be receiving the special goods and services tax credit (GSTC) from the Canada Revenue Agency. Will Revenu Québec seize this tax credit?

Yes, the tax credit This link will open a new tab can be seized under the Family Orders and Agreements Enforcement Assistance Act. However, before we seize it, a notice from the minister (a seizure notice) must be filed with the Department of Justice of Canada.

Individuals – Others

My daycare is closed, but I'm still getting advance payments. What do I do?

You have three options: 1. Reduce the number of days. You will receive smaller advance payments for the rest of the year. 2. Stop the payments. When your daycare reopens, you can apply to have your advance payments resume. 3. Do nothing. Your advance payments will continue unchanged, but you will have to pay back any overpayment you received when you file your income tax return in spring 2021.

Please use My account for individuals to make your changes. To register or log in, see My Account for individuals. Note: Since we are currently operating with reduced staff, we cannot make these changes over the phone.

I receive advance payments of the tax credit for home-support services for seniors but did not file my application to renew the payments by the deadline. Since I'm self-isolating, how can I continue to receive advance payments?

If you should have filed your application to renew advance payments of the tax credit for home-support services for seniors between March 17, 2020, and June 1, 2020, Revenu Québec is giving you an additional 4 months from the renewal date to file your application. You will continue to receive your advance payments in the meantime. However, if Revenu Québec learns that you are no longer eligible for advance payments or if you ask that payments be adjusted, Revenu Québec will take action accordingly.

I receive payments under the shelter allowance program. Should I be worried that I have to renew my payments in the next few months?

No. To make things easier for you in the short- and medium-term, you have an additional two months to file your renewal application. You now have until December 1, 2020, to file your application with Revenu Québec.

I've lost my job. What will happen to my advance payments of the work premium?

It depends on your situation: 1) If you have lost your job permanently, contact Revenu Québec to have your payments stopped. If they are not, you will have to repay the overpayments to Revenu Québec when you file your 2020 income tax return. 2) If you have lost your job temporarily (3 or more weeks), you have two options: i) Do nothing. Your advance payments will continue, but you will have to repay the overpayments to Revenu Québec when you file your 2020 income tax return. ii) Contact Revenu Québec to have your payments stopped.

If I need to get in touch with you, can I go to one of your offices?

Most of our offices are closed indefinitely to help government-wide efforts to prevent the coronavirus from spreading and protect the health and safety of our clients and employees.

As of Wednesday, April 1, 2020, the following offices will be open: Laval (5, Place-Laval, bureau 147), Longueuil (825, rue Saint-Laurent Ouest), Montréal-Est (Village olympique, pyramide Est, bureau 4000, 5199, rue Sherbrooke Est), Montréal-Ouest (3300, boulevard de la Côte-Vertu, 2e étage, Saint-Laurent), Québec City (3800, rue de Marly, Québec)

Business hours are from 10 a.m. to 3 p.m., Monday to Friday. Note that we have indefinitely suspended all individual appointments. To protect the health and safety of our clients and employees, security personnel will be onsite to manage access and ensure that visitors comply with social distancing and infection control guidelines.

We recommend that you use our online services in My Account for individuals or My Account for businesses. If necessary, you can send us secure email or call our client services toll-free at one of the following numbers: Individuals: 1 800 267-6299; Businesses: 1 800 567-4692; Solidarity tax credit and advance payments: 1 855 291-6467

Tax preparers

What are the relief measures for tax preparers?

To limit in-person contact, Revenu Québec will now allow preparers to use an electronic signature on some forms that their clients must sign. The forms in question are form TP-1000.TE-V (for individuals) and form CO-1000.TE (for corporations).

Other

See also [Relief Measures for Individuals and Businesses](#).

[Relief Measures for Individuals and Businesses](#)

To support individuals and businesses during the COVID-19 pandemic and help them meet their tax obligations, the Ministère des Finances and Revenu Québec have reviewed some of the relief measures announced previously and implemented additional measures.

Measures for trusts (other than a specified investment flow-through entity [SIFT entity])

The deadline for paying income tax or the annual registration fee for the enterprise register related to the 2019 income tax return has been extended to September 1, 2020. If a trust is required to make instalment payments, the payment normally due on June 15, 2020, is now due by September 1, 2020.

Measures for corporations and SIFT entities

Instalments and income tax balances that would have been due in the period between March 17, 2020, and August 31, 2020, are now payable by September 1, 2020.

Mining tax

The deadline for paying mining tax has been extended to September 1, 2020, as it has been for income tax and instalment payments.

Logging tax

The deadline for paying logging tax that would normally fall between March 17, 2020, and August 31, 2020, has been extended to September 1, 2020. Note: The payment of balances and instalments has not been deferred for the compensation tax for financial institutions, the tax on capital for insurance corporations or the tax on capital for life insurance corporations.

Extended deadlines

Measures for individuals: The deadline for filing the personal income tax return has been extended from April 30, 2020, to June 1, 2020; The deadline for filing the 2019 income tax return of a person who died in 2019 before December 1, 2019, has been extended to June 1, 2020; If an individual or their spouse carried on a business in 2019, the deadline to file their 2019 income tax return remains June 15, 2020.

Measures for trusts and partnerships (including SIFT entities): The deadline for filing the income tax return of a trust (other than a testamentary trust that is a graduated rate estate) has been extended from March 30, 2020, to May 1, 2020; If a testamentary trust that is a graduated rate estate would normally have had to file an income tax return after March 16, 2020, for the taxation year that ends in 2019, the filing deadline has been extended to May 1, 2020.

The deadline for filing the Partnership Information Return (TP-600-V) has also been extended from March 31, 2020, to May 1, 2020, if all members of the partnership are individuals. If all members of the partnership are corporations, the return must be filed within five months following the end of the fiscal period. If the filing deadline would normally be after March 16, 2020, but before May 1, 2020, the deadline is extended to May 1, 2020. In all other situations, the return for a fiscal period that ended in 2019 must be filed by May 1, 2020, or the last day of the fifth month following the end of the fiscal period, whichever comes first. However, if the

last day of the fifth month following the end of fiscal period is after March 16, 2020, the filing deadline for the fiscal period is May 1, 2020.

Compensation tax

The payment of balances and instalments has not been deferred for the compensation tax for financial institutions, the tax on capital for insurance corporations or the tax on capital for life insurance corporations.

Other measures

Various deadlines have also been extended until June 1, 2020, for all taxpayers. Tax laws and regulations set out numerous deadlines for taxpayers to exercise their rights, provide information, send documents or make an election. If taxpayers fail to meet these deadlines, they may be unable to exercise their rights or incur a penalty or interest, depending on the type of obligation and the extent of the omission. Revenu Québec has extended to June 1, 2020, all administrative deadlines (other than the deadlines already extended for certain returns) that would normally fall in the period between March 17, 2020, and May 31, 2020. This does not apply to the payment of various consumption taxes, contributions or source deductions. The extension covers the following: 1) corporation income tax returns; 2) elections under Québec tax laws or regulations, such as rollovers (excluding QST elections, which are harmonized with the GST); 3) tax credit applications requiring supporting documents (12-month time limit); 4) fuel tax refund applications; 5) information request response times; 6) mandatory or preventive disclosure of tax planning; 7) applications under the Québec education savings incentive (QESI) (90-day time limit); 8) etc.

GST/HST and QST returns

The deadline for remitting net GST/HST and QST has been extended to June 30, 2020, for all returns to be filed between March 27 and June 1, 2020. The same applies to instalment payments. In light of the federal Minister of Finance's announcement on March 27, 2020, and in order to harmonize the QST system with the GST/HST system, the filing deadlines remain unchanged. Persons who are able to do so must file their GST/HST and QST returns by the normal deadlines to facilitate tax compliance and administration. However, because of the current situation, no late-filing penalty will be charged if the returns are filed no later than June 30, 2020. For reporting periods whose filing deadlines fall after June 1, 2020, the filing and payment deadlines stipulated in tax legislation will apply.

The current relief measures do not apply to other Québec taxes, source deductions or employer contributions, which continue to have the same filing and payment obligations.

Information return for charities and other donees

The deadline for filing the Information Return for Registered Charities and Other Donees (TP-985.22-V) has been extended to December 31, 2020, for registered charities that are required to file the return between March 1, 2020, and December 30, 2020. This measure also applies to other donees that are required to file form TP-985.22-V during the same period.

Advance payments of the tax credit for home-support services for seniors

Seniors who receive this tax credit and normally would have filed an application to renew their advance payments between March 17, 2020, and June 1, 2020, now have four months following the normal renewal date to file their application. Advance payments will continue in the meantime. However, Revenu Québec will take action if it receives information that an individual is no longer eligible for the tax credit or if the individual requests an adjustment.

Shelter allowance program

To ensure program beneficiaries do not have to do anything in the short- and medium-term to continue receiving the allowance, the deadline to apply for renewal of the allowance has been extended by two months. You therefore have until December 1, 2020, to file a shelter allowance renewal application with Revenu Québec.

Objecting to a notice of assessment

If you want to file a notice of objection and the 90-day time limit expires in the period between March 13, 2020, and June 29, 2020, the time limit has been extended to June 30, 2020.

Appeals

An appeal before the Court of Québec is brought by an application in accordance with the contentious proceedings governing actions and applications in civil matters. In accordance with Order 2020-4251 of the Chief Justice of Québec and the Minister of Justice, the time limits for filing appeals before the Court of Québec are suspended from March 15, 2020, until the health emergency is lifted. This suspension applies to: 1) appeals before the Court of Québec; 2) summary appeals before the Small Claims Division of the Court of Québec; 3) applications for review of a decision by the Minister not to extend the deadline for filing a notice of objection; 4) applications to extend the deadline for filing an appeal or summary appeal.

Administrative steps taken by Revenu Québec

- We are prioritizing personal income tax returns involving a refund.
- We are processing applications for business tax credits and tax refunds faster.
- We have suspended our audit activities, except in exceptional, high-risk situations, such as those involving fraud or the expiry of a time limit. We may then initiate or complete an audit. We will also process recourses initiated by clients. We will only contact clients if it is necessary to process a refund claim. Note that we have not suspended our activities related to the fight against aggressive tax planning.
- We have also suspended our collection activities and will be more flexible regarding the duration of tax debt payment agreements.
- We are allowing tax preparers to use an electronic signature on forms that their clients must sign.
- The information sessions usually held in-person with individuals and businesses are now being held by phone.
- Our assistance program for small and medium-sized businesses is available by phone

Support payments

In accordance with the law, Revenu Québec will continue to collect support. The 30-day time limit for appealing a decision by the Minister regarding a notice of contestation has been suspended until the health emergency is lifted (Order 2020-4251 dated March 15, 2020).

Unclaimed property

If the debtor or holder of unclaimed property carries on a business or is a legal person, the annual deadline for remitting unclaimed property to the Minister of Revenue (which corresponds to the end of the first quarter following the end of the fiscal period during which the property became unclaimed) has been extended to August 31, 2020. No late-remittance interest or penalty will be charged for property that became unclaimed in a fiscal period ending in the period from December 17, 2019, to May 30, 2020, provided the property is remitted to Revenu Québec before September 1, 2020. The 10-year limit for remitting amounts under \$500 to the Minister of Finance has been suspended until the health emergency is lifted (Order 2020-4251 dated March 15, 2020).

COVID-19 – The Québec government announces new measures to help individuals and businesses

News Release 2020-03-27

Québec City, March 27, 2020 – The Québec government is announcing new measures to help individuals and businesses to weather this difficult period.

First, Québec is following the federal government's lead and allowing businesses to postpone filing until June 30, 2020 their returns and payments in respect of the March 31, April 30 and May 31 QST remittances, without interest or penalties.

Moreover, Québec will accelerate the processing of requests for tax credits intended for businesses and tax refunds.

Through the new measures, the government is adding \$8 billion to companies' liquid assets in the coming months. 1) More than \$7.3 billion for the postponement of the QST payment. 2) More than \$600 million in accelerated payments of tax credits.

The new measures follow those already implemented since the outset of the pandemic and total \$18 billion, equivalent to 4% of GDP: 1) the Programme d'aide temporaire aux travailleurs (PATT); 2) the [Programme d'action concertée temporaire pour les entreprises](#) (PACTE) (\$2.5 billion) [(To make a request, visit Investissement Québec's website)]; 3) the relaxation of rules governing the production of income tax returns and the payment of tax balances payable and tax instalments (\$8.3 billion); 4) the suspension for six months of all student loans repayments; 5) a 25% reduction in 2020 of the amounts of mandatory withdrawals from a [RRIF].

Revenu Québec is also establishing new initiatives to make life easier for individuals and businesses.

- Families that receive advance payment of the tax credit for childcare expenses will have access to information that will enable them to avoid repaying the overpayments in the future.
- A four-month extension has been granted of the deadlines for renewing the advanced payments of the tax credit for home-support services for seniors. The payments under way are maintained until the renewal.
- The renewal date for payments relating to the Shelter Allowance Program is postponed until December 1, 2020. The payments under way are maintained until the renewal.

To ensure that Quebecers immediately have access to the refunds due to them, Revenu Québec is doing everything possible to accelerate the processing of income tax return in respect of which it must make a payment. Accordingly, since February 24, 2020, Revenu Québec has refunded nearly \$800 million to the individuals who have already filed their income tax returns.

“Our priority continues to be the health and safety of Quebecers. However, we are aware that the situation is difficult for businesses and individuals. For this reason, we are announcing new measures to help them. Since the outset of the crisis, we have announced economic support measures totalling more than \$18 billion, equivalent to 4% of GDP.”

Eric Girard, Minister of Finance

For information on COVID-19 and the assistance programs offered, please visit [Quebec.ca/coronavirus](https://quebec.ca/coronavirus).

The Québec government will harmonize its measures with two federal government assistance measures announced yesterday

News Release 2020-03-20

Québec City, March 19, 2020 – To maximize the assistance offered to individuals and businesses affected by the exceptional circumstance stemming from COVID-19, the Québec government is announcing that it is harmonizing its measures with two measures that Ottawa announced yesterday.

A measure to protect retirees

Québec will follow suit with the federal government concerning its measure to reduce by 25% in 2020 the amount of mandatory withdrawal from a registered retirement income fund (RRIF). This measure will protect retirees who possess RRIFs who are put at a disadvantage by the state of stock markets.

Flexibility for income tax returns

Moreover, Revenu Québec and the Canada Revenue Agency are harmonizing their practices and postponing to June 1, 2020 the deadline for individuals to file their income tax returns. What is more, the deadline for both individuals and businesses to pay any tax balance due and tax instalments is postponed to September 1, 2020. [The tax payment and filing deadline deferral only applies to Quebec income taxes. The deferral does not apply, for example, to the compensation tax or tax on capital payable by certain financial institutions].

“The decision to harmonize with the federal government seeks to increase the assistance available and to simplify the lives of individuals and businesses in Québec. The economic monitoring committee continues to follow the situation closely and the necessary measures will be implemented gradually.”

Eric Girard, Minister of Finance

INFORMATION BULLETIN 2020-4 (March 18, 2020)

POSTPONEMENT AFTER AUGUST 31, 2020 OF THE PAYMENT OF CERTAIN AMOUNTS PAYABLE PURSUANT TO VARIOUS TAX PROVISIONS

As part of the publication of the Information Bulletin 2020-31, the Ministère des Finances du Québec announced the postponement to June 1, 2020 of the personal income tax return filing-due date for the 2019 taxation year and the postponement to May 1, 2020 of the income tax return filing-due date for certain trusts for the 2019 taxation year.

It also announced the postponement to July 31, 2020 of the payment of certain amounts payable pursuant to various tax provisions, especially in respect of individuals and businesses.

Moreover, the Department of Finance Canada made public the same day [Canada's COVID-19 Economic Response Plan](#): Support for Canadians and Businesses.

The measures that the Department of Finance Canada announced concerning the income tax return filing-due date for individuals and certain trusts are analogous to those announced by the Ministère des Finances du Québec on March 17, 2020. However, the Department of Finance Canada is allowing taxpayers to postpone after August 31, 2020 the payment of income tax payable starting March 18, 2020 and before September 2020.

Consequently, in harmonization with the postponement that the Department of Finance Canada announced, the postponement of the payment of certain tax instalments and tax balance payable granted pursuant to the Québec taxation system will be extended.

Accordingly, the date of July 31, 2020 mentioned in the Information Bulletin 2020-3 respecting the postponement of the payment of certain tax instalments and the tax balance payable will be replaced by the date of August 31, 2020. Moreover, the tax balance and contributions of an individual mentioned in the Information Bulletin 2020-3 for the 2019 taxation year due not later than April 30, 2020 can be paid after August 31, 2020. The same applies to the tax balance of a trust for the 2019 taxation year due not later than March 30, 2020. [emphasis added]

INFORMATION BULLETIN 2020-3 (March 17, 2020)

POSTPONEMENT OF THE PERSONAL INCOME TAX RETURN FILING-DUE DATE FOR THE 2019 TAX RETURN AND OTHER POSTPONEMENT MEASURES

In conjunction with the measures that the government has adopted in response to the COVID-19 pandemic, this information bulletin is announcing the postponement to June 1, 2020 of the personal income tax return

filing-due date for the 2019 taxation year and the postponement to May 1, 2020 of the income tax return filing-due date of certain trusts for the 2019 taxation year.

It is also announcing the postponement to July 31, 2020, of the payment of certain amounts payable by individuals, trusts and corporations pursuant to tax provisions.

For information concerning the matters dealt with in this information bulletin, contact the Secteur du droit fiscal, de l'optimisation des revenus et des politiques locales et autochtones at 418 691-2236.

The English and French versions of this bulletin are available on the Ministère des Finances website at www.finances.gouv.qc.ca.

POSTPONEMENT OF THE INCOME TAX RETURN FILING-DUE DATE FOR INDIVIDUALS AND CERTAIN TRUSTS AND PAYMENT BY INDIVIDUALS AND TRUSTS OF CERTAIN AMOUNTS PAYABLE

Québec tax legislation stipulates that an individual subject to Québec income tax in a given taxation year must file with Revenu Québec for that taxation year an income tax return not later than April 30 of the following year. If an individual or his or her spouse operates a business or is responsible for a family-type resource¹ or an intermediate resource,² his or her income tax return for the taxation year must instead be filed not later than June 15 of the following year.

Moreover, every individual must pay the Minister of Revenue, for each taxation year, not later than the balance-due date applicable, i.e. April 30 the following year in the case of individuals, the amount by which the individual's tax payable for the year exceeds the aggregate of all amounts deducted or withheld in respect of his income for the year and of all other amounts paid or deemed to be paid to the Minister on or before that date as partial payment of the individual's tax payable for the year.

In the same way, certain individuals must pay the following contributions not later than April 30 in the year following that in respect of which a payment for the year must be made: contributions to the Québec Pension Plan (QPP) in respect of self-employed earnings or earnings from activities as a family-type resource or an intermediate resource; contributions to the Québec Parental Insurance Plan (QPIP) as self-employed persons or persons responsible for a family-type resource or an intermediate resource; the contributions of individuals to the Health Services Fund (HSF) payable on total income for the year; contributions to the Québec prescription drug insurance plan.

As a rule, a trust that is subject to Québec income tax for a given taxation year must file a Trust Income Tax Return if it has tax payable for the year. If the trust has tax payable, the balance of tax must be paid within the time limit granted to file the return, usually within 90 days of the end of the taxation year.

Furthermore, both individuals and trusts (other than specified investment flow-through trusts) may be subject to the payment of tax instalments payable four times a year, i.e. on March 15, June 15, September 15 and December 15.

To offset the economic impacts of the COVID-19 pandemic, the government believes that the application of certain measures pertaining to personal income tax must be immediately suspended to enable individuals to

benefit from their liquid assets in the coming weeks to cope with unforeseen expenses that may arise during this period.

Postponement of the income tax return filing-due date for individuals and certain trusts for the 2019 taxation year and payment of any tax balance on the income of individuals or trusts due for the 2019 taxation year

For individuals whose tax return filing-due date, for the 2019 taxation year, is April 30, 2020, the government is announcing that this date will be postponed to June 1, 2020.

For trusts (other than specified investment flow-through trusts) whose tax return filing-due date, for the 2019 taxation year, is March 30, 2020, the government is announcing that this date will be postponed to May 1, 2020.

The government is also announcing that any balance of tax for individuals in respect of the 2019 taxation year, which would be due not later than April 30, 2020, can be paid not later than July 31, 2020. In the same way, the tax balance of a trust (other than a specified investment flow-through trust) in respect of the 2019 taxation year that would be due as of the date of publication of this information bulletin can be paid not later than July 31, 2020.

What is more, payments by individuals of contributions to the QPP, the QPIP, the HSF and the Québec drug insurance plan in respect of 2019 taxation year, and that should otherwise be made not later than April 30, 2020, can be made not later than July 31, 2020.

Moreover, for greater clarity, this announcement does not modify the rules governing the filing of income tax returns by individuals who operate a business, including their spouses' income tax returns and those of individuals responsible for a family-type resource or an intermediate resource. Only the date on which the tax balance and contributions for the 2019 taxation year may be paid is postponed to July 31, 2020.

Postponement of the payment by individuals or trusts of the tax instalment due on June 15, 2020

As a corollary to the postponement until July 31, 2020 of the payment by individuals and trusts of tax balances for the 2019 taxation year, the payment not later than June 15, 2020 of the tax instalment for the 2020 taxation year by an individual or a trust (other than a specified investment flow-through trust) can be paid not later than a date subsequent to July 31, 2020 that the Ministère des Finances will announce later. Clarifications will be announced at a later day concerning the payment of this tax instalment.

Additionally, this announcement does not modify the rules governing the calculations to determine the amount of the tax instalment normally due on June 15, 2020 and the amount of the tax instalments payable on September 15 and December 15, 2020. The same is true of the other conditions of application of tax instalments.

POSTPONEMENT OF THE PAYMENT BY CORPORATIONS OF TAX INSTALMENTS AND REMAINDER OF TAX PAYABLE

A corporation subject to Québec tax for a taxation year must, almost without exception, pay either monthly or quarterly tax instalments for the year. Moreover, such a corporation must pay the remainder of its tax payable

for a taxation year not later than the balance-due day applicable to it for the year, that is, the last day of the period of two months that ends after the end of this taxation year. Failure by a corporation to pay its tax instalments on the dates stipulated and to pay the remainder of its tax payable for a taxation year not later than two months after the end of the year brings with it the obligation to pay interest.

Events surrounding the COVID-19 pandemic could impact the liquid assets of corporations. In order to immediately support them, certain payments of tax instalments and remainder of tax payable for a taxation year will be postponed for corporations, without interest, in accordance with the terms and conditions mentioned below.

More specifically, a corporation that would otherwise be obliged to pay an amount as a tax instalment not later than a date falling within the period that begins on the date of publication of this information bulletin and ends on July 31, 2020 may pay such an amount not later than a subsequent date that the Ministère des Finances will make public.

The calculation methods respecting tax instalments will not be modified. Only the date on which the tax instalment amount may be paid will be postponed.

In the same way, a corporation in respect of which the balance-due day applicable to it for a taxation year will fall within the period that begins on the date of publication of this information bulletin and ends on July 31, 2020, may pay the remainder of its tax payable for this taxation year not later than a subsequent date that the Ministère des Finances will make public.

The rules applicable to corporate tax return filings, especially the filing-due date of such returns, will not be modified. Only the date on which the remainder of tax may be paid will be postponed.

Details will be announced later concerning the terms of payment of tax instalments and the remainder of tax payable by a corporation whose payment may thus be postponed.

POSTPONEMENT OF THE PAYMENT BY SPECIFIED INVESTMENT FLOW-THROUGH (SIFT) TRUSTS OR PARTNERSHIPS OF TAX INSTALMENTS AND REMAINDER OF TAX PAYABLE

A trust or a partnership that is a specified investment flow-through (SIFT) trust or partnership subject to Québec income tax for a taxation year must, almost without exception, pay monthly tax instalments for the year. Furthermore, the SIFT trust or partnership must pay the balance of its tax payable for a taxation year not later than the balance-due day applicable to it for the year. Failure by a SIFT trust or partnership to pay its tax instalments on the dates stipulated and to pay its remainder of tax payable for a taxation year not later than the balance-due day applicable to it for the year brings the obligation to pay interest.

Following the example of the additional time period granted to corporations to pay certain tax instalments and the remainder of tax payable, deferment of the payment of certain tax instalments and the remainder of tax payable for a taxation year will also be granted to SIFT trusts and partnerships, without interest, according to the terms and conditions indicated below.

Accordingly, a SIFT trust or partnership that would otherwise be obliged to pay an amount as a tax instalment not later than a date falling within the period that begins on the date of publication of this information bulletin

and ends on July 31, 2020 can pay such an amount not later than a subsequent date that the Ministère des Finances will make public.

The calculation methods respecting tax instalments will not be modified. Only the date on which the tax instalment amount may be paid will be postponed.

In the same way, a SIFT trust or partnership, for a taxation year, in respect of which the balance-due day applicable to it for the taxation year will fall within the period that begins on the date of publication of this information bulletin and ends on July 31, 2020, can pay the remainder of its tax payable for this taxation year not later than a subsequent date that the Ministère des Finances will make public.

The rules applicable to tax return filings or the filing of the information return of SIFT trusts or partnerships will not be modified. Only the date on which the remainder of tax may be paid will be postponed.

Details will be announced later concerning the terms of payment of tax instalments and the remainder of tax payable by a SIFT trust or partnership whose payment may thus be postponed.

1 According to the Act respecting health services and social services (CQLR, chapter S-4.2), family-type resources fall into two categories: foster families and foster homes. One or two persons receiving in their principal place of residence a maximum of nine children in difficulty entrusted to them by a public institution in order to respond to their needs and afford them living conditions fostering a parent-child relationship in a family-like environment may be recognized as a foster family. One or two persons receiving in their principal place of residence a maximum of nine adults or elderly persons entrusted to them by a public institution in order to respond to their needs and afford them living conditions as close to a natural environment as possible may be recognized as a foster principal place of residence.

2 An intermediate resource is a resource that is operated by a natural person as a self-employed worker or by a legal person or a partnership and is recognized by an agency (now called: integrated health and social services) for the purpose of participating in the maintenance of users otherwise registered for a public institution's services in the community or in their integration into the community by providing them with a living environment suited to their needs, together with the support or assistance services required by their condition.

Other

- [Quebec: COVID-19 relief measures for your business](#) (Canadian Federation of Independent Business), [Quebec Municipalities during COVID-19: what are they doing to support you?](#) (Canadian Federation of Independent Business);
- News Release 2020-04-03: [Low-income workers in essential sectors will receive \\$100 per week](#);
- [Mesures d'assouplissement pour les citoyens et les entreprises](#);
- [Pandémie de la COVID-19 - Québec annonce deux mesures économiques destinées au secteur forestier](#) (April 7, 2020);
- quebec.ca/coronavirus;

- quebec.ca/sante/problemes-de-sante/a-z/coronavirus-2019/quebec.ca/en/health/health-issues/a-z/2019-coronavirus/essential-services-commercial-activities-covid19/;
- a six-month moratorium has been put in place for the repayment (principal and interest) of loans already granted through the [FLI](#). Interest accrued during this period will be added to the loan balance (this measure is in addition to the moratorium already in place under most investment policies in effect, which can be as long as 12 months);
- the Government of Québec announced that it is postponing the student loan debt repayments – individuals who have loan debt repayment will not have to make any payment during the next six-months (interest will not accrue during this period). Students do not need to apply for the repayment deferral. This measure automatically applies to all Aide financière aux études. See the Government of Québec’s “[Repayment of a student loan](#)” web page;
- On March 22, 2020, [Hydro-Québec](#) announced that, starting March 23, 2020, it will suspend the application of charges for unpaid invoices for all its customers (individuals and businesses) until further notice;
- [Pandémie de COVID-19 - Le gouvernement du Québec annonce le lancement du Programme actions concertées pour le maintien en emploi](#) (PACME) (Worker training subsidy – will reimburse employers for 100% of their expenses – for instructors, materials, and management – to establish certain training programs for workers, in addition to a wage subsidy of up to \$25 per hour for 25% to 100% of total hours paid for workers participating in training programs), April 6, 2020 (see also KPMG, “[COVID-19 — Quebec to Reimburse Training Expenses](#)”, *TaxNewsFlash-Canada* No. 2020-37, April 8, 2020;
- [Pandémie de la COVID-19 - Lancement du greffe numérique de la Cour d'appel](#) (Court of Appeal - Electronic filing), April 7, 2020;
- KPMG, “COVID-19 – Quebec Harmonizes with Federal Measures”, *TaxNewsFlash Canada*, No. 2020-19, March 20, 2020;
- KPMG, “Quebec Delays Tax Deadlines in Light of COVID-19 Issues”, *TaxNewsFlash Canada*, No. 2020-13.

British Columbia

COVID-19 Action Plan - Provincial Tax Changes

News Release 2020-03-23

As part of B.C.'s [COVID-19 Action Plan](#), the B.C. government announced provincial tax changes.

More information is coming soon. Check this page for future updates and subscribe to our [What's New](#) pages to stay informed.

Deferred Tax Payments

Effective immediately, B.C. is extending filing and payment deadlines for the following taxes until September 30, 2020: Employer health tax; Provincial sales tax (including municipal and regional district tax); Carbon tax; Motor fuel tax; Tobacco tax

Delayed PST Budget 2020 Tax Changes

The following tax changes announced in Budget 2020 will be postponed until further notice: Eliminating the PST exemption for carbonated beverages that contain sugar, natural sweeteners or artificial sweeteners; Expanded registration requirements for Canadian sellers of goods, along with Canadian and foreign sellers of software and telecommunication services.

Delayed Carbon Tax Increase

Carbon tax rates will remain at their current levels until further notice. The tax measure announced in Budget 2020 aligning the carbon tax rates with the federal carbon pricing backstop is also postponed until further notice.

Reduced School Tax Rates for Businesses

School tax rates for commercial properties (Classes 4, 5 and 6) will be reduced by 50% for the 2020 tax year.

Enhanced B.C. Climate Action Tax Credit

An additional one-time payment will be made in July 2020 on top of the regular climate action tax credit amount for qualifying individuals and families. The previously scheduled credit increase effective July 2020 remains the same.

COVID-19 Action Plan: B.C.'s first steps to support people, businesses

Ministry of Finance

Media Relations

250 213-7724

British Columbians affected by the COVID-19 pandemic will benefit from \$5 billion in income supports, tax relief and direct funding for people, businesses and services.

“The COVID-19 pandemic challenges our health, our economy and our way of life. People and businesses urgently need support,” said Premier John Horgan. “Our action plan focuses on services to protect people’s health and safety, gives immediate relief to people and businesses, and plans for B.C.’s economic recovery over the long term.”

The COVID-19 Action Plan is government’s first step to provide relief to people and businesses in British Columbia. The plan dedicates \$2.8 billion to help people and fund the services they need to weather the crisis; \$2.2 billion will provide relief to businesses and help them recover after the outbreak.

B.C.’s COVID-19 Action Plan builds on the federal government’s COVID-19 economic plan and boosts supports for British Columbians who are worried about paying their bills and staying afloat.

Supporting people and the services they rely on

The plan includes immediate measures to help individuals and families cope with potential illness, financial strain or precarious employment. It also adds funding to key services, such as health care, housing and social services, to make sure they continue to support British Columbians and help contain the spread of COVID-19.

“While this crisis continues, we need to make sure that people are kept safe and that vital services are available to British Columbians,” said Carole James, Minister of Finance. “That means making sure people can pay their bills, stay safe in their homes and provide for their families during this extraordinary time.”

Of the \$2.8 billion allocated to ensure people have the services and support they need during this difficult time, the B.C. government is dedicating \$1.1 billion to boost the income of people affected by COVID-19.

A new B.C. Emergency Benefit for Workers will provide a tax-free \$1,000 payment to British Columbians whose ability to work has been affected by the outbreak. The benefit will be a one-time payment for British Columbians who receive federal Employment Insurance (EI), or the new federal Emergency Care Benefit or Emergency Support Benefit as a result of COVID-19 impacts. This includes workers who have been laid-off, who are sick or quarantined, parents with sick children, parents who stay at home from work while child care centres and schools are closed, and those caring for sick family members, such as an elderly parent. The workers can be EI-eligible and non-EI eligible, such as the self-employed. The benefit will be paid to B.C. residents, in addition to their federal income supports.

The COVID-19 Action Plan takes further steps to boost income supports by increasing and expanding the B.C. Climate Action Tax Credit in July 2020. As many as 86% of British Columbians will see some extra money from this enhancement. Eligible families of four will receive up to \$564 and eligible individuals will receive up to \$218 in an enhanced payment. This boosts the regular climate action tax credit payment of up to \$112.50 per family of four and up to \$43.50 per adult.

Together, the B.C. Emergency Benefit for Workers and the enhanced B.C. Climate Action Tax Credit will complement federal income supports and help people who are struggling with job loss, reduced income or increased costs through the immediate crisis.

The Province is focused on keeping people safe, healthy and supported throughout the COVID-19 pandemic. To support that work, the action plan provides \$1.7 billion for the critical services British Columbians need.

The \$1.7 billion includes investments in housing and shelter supports, income and disability assistance programs and crucial health services, such as funding for the BC Centre for Disease Control hotline, quarantine costs, lab tests and work underway at the First Nations Health Authority and the United Way's Better at Home program for seniors.

To support non-profits, service delivery agencies and child care providers, the Province will continue to provide funding even if these agencies are closed or their regular operations have been disrupted. Licensed child care providers staying open will receive enhanced funding to keep operations going. These centres are eligible to receive seven times their average monthly operating funding from government, which is expected to cover approximately 75% of a group facility's average monthly operating expenses.

To help people with B.C. student loans, the Province is freezing B.C. student loan payments for six months, starting March 30, 2020. Federal student loan payments are being frozen as well.

British Columbians needing more time to pay their bills can also apply to existing payment deferral programs at ICBC and BC Hydro. ICBC is extending deferrals to up to 90 days. People dealing with job loss, illness or loss of wages due to COVID-19 may also qualify for BC Hydro's Customer Crisis Fund grant program for up to \$600.

Supporting businesses

British Columbia has a strong economic foundation, but COVID-19 is having impacts across the country and around the world. Every aspect of B.C.'s economy will be touched by this pandemic. The COVID-19 Action Plan will help businesses get through the immediate crisis and lay the groundwork needed to get businesses back on their feet once the crisis is over.

Effective immediately, 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 from the tax.

In addition to the employer health tax, the Province is extending tax filing and payment deadlines for the provincial sales tax (PST), municipal and regional district tax, tobacco tax, motor fuel tax and carbon tax until Sept. 30, 2020. The scheduled April 1 increase to the provincial carbon tax, as well as the new PST registration requirements on e-commerce and the implementation of PST on sweetened carbonated drinks, will be delayed and their timing will be reviewed by Sept. 30, 2020.

Business and light- and major-industry property classes will see their school tax cut in half. This will provide \$500 million in immediate relief for business that own their property and allow commercial landlords to immediately pass savings on to their tenants in triple-net leases.

In the longer term, the recovery plan will dedicate funding to particularly hard-hit parts of the economy, such as the tourism, hospitality and culture sectors. The B.C. government is partnering with business and labour leaders to build an economic stimulus plan. The Province has allocated \$1.5 billion for economic recovery.

Financial Supports in Response to COVID-19

Funding for critical services is increased by \$1.7 billion to support: Health care pressures due to the COVID-19 outbreak; Social services and vulnerable populations; Housing and shelter programs; First Nations Health Authority

B.C. Emergency Benefit for Workers

The B.C. Emergency Benefit for Workers will provide a one-time \$1,000 payment to people who lost income because of COVID-19.

B.C. residents who receive federal Employment Insurance, or the new federal Canada Emergency Response Benefit are eligible

Applications for the one-time payment will open soon

Climate Action Tax Credit

A one-time enhancement to the climate action tax credit will be paid in July 2020 for moderate to low-income families:

An adult will receive up to \$218.00 (increased from \$43.50)

A child will receive \$64.00 (increased from \$12.75)

Renters, Homeowners and People Experiencing Homelessness

Funding for housing supports are increased to ensure people can maintain their housing in the event of job or income loss.

BC Housing has temporarily suspended evictions of tenants in subsidized and affordable housing due to non-payment of rent

B.C. Student Loans

Starting March 30, 2020, B.C. student loan payments are automatically frozen for six months.

Monthly Bills

BC Hydro

Customers can defer bill payments or arrange for flexible payment plans with no penalty through the COVID-19 Customer Assistance Program

Customers experiencing job loss, illness or lost wages due to COVID-19 can access grants up to \$600 to pay their hydro bills through the Customer Crisis Fund

ICBC

Customers on a monthly payment plan who are facing financial challenges due to COVID-19 may defer their payment for up to 90 days with no penalty

Tax Relief for Businesses

The following provincial taxes have been deferred, delayed or reduced: Deferred Tax Payments for Businesses; Delayed PST Budget 2020 Tax Changes; Delayed Carbon Tax Increase; Reduced School Tax for Businesses

[Canadian Federation of Independent Business](#) – **British Columbia: COVID-19 relief measures for your business**

...

Support for businesses

The BC Government is deferring many provincial tax filings to Sept 30, 2020. This is effective as of March 23, 2020, and means the deadline to file and pay for the following taxes has been extended. They include: Employer Health Tax; Provincial Sales Tax; Carbon tax; Motor fuel tax; Tobacco tax. The BC Government is also delaying the increase of the Carbon Tax to Sept 30, 2020 (initially planned for April 1, 2020), and cutting the Provincial Property tax (i.e. Provincial School Tax) rate in half this year for commercial and industrial properties (Class 4, 5 and 6). The latter is especially important, as it is a tax cut and will translate into meaningful savings for your business if you are responsible for paying property taxes (e.g. own the property or are on a triple net lease).

To support non-profits, service delivery agencies, and childcare providers, BC will continue to fund these agencies regardless of if they are open, closed or regular operations have been disrupted in any way. Licensed childcare providers staying open will receive enhanced funding to keep operations going. They will be eligible for seven times their average monthly operating funding from government.

The tax on carbonated, sweetened beverages which was introduced in Budget 2020 is being postponed until further notice....

Support for employees

BC Emergency Benefit for Workers: The BC government has introduced a one-time, tax free payment of \$1,000 to BC workers whose work has been affected by COVID-19. It's available for those now under Federal programs (Federal EI, new Emergency Care Benefit, Emergency Support Benefit) as a result of COVID-19. This payment is also available for non-EI eligible workers (qualifications include employees who have been or are:

laid off, self-employed, self-quarantined, taking care of someone who is sick and taking care of child due to childcare closures).

How do I apply? The BC Emergency Benefit for Workers is a one-time payment that will be made in May 2020. Applications will be open in the coming weeks, and we will update this page once further instruction from government is given. BC residents who receive federal Employment Insurance, the new federal [Emergency Response benefit](#) are eligible.

BC Climate Action Tax Credit: The BC government has enhanced payment of the BC Climate Action Tax Credit. They estimate 86% of families will see more money back in their pockets to a maximum of \$218 for adults and \$64 per child. Once you have filed tax returns, and are determined to be eligible for this, you will see the benefit. How do I apply? The additional one-time payment will be made in July 2020 on top of the regular credit amount for qualifying individuals and families. You are eligible to receive the credit if you are a resident of BC, and you are 19 years or older, have a spouse or common-law partner, or are a parent who resides with your child. You will receive the credit payment from the Canada Revenue Agency (CRA). For more information, [click here](#)...

Worksafe BC

Q1 payments for 2020 have been postponed. Businesses that report payroll and make payments on a quarterly basis can defer payments without penalty until June 30, 2020 (instead of the usual date of April 20). [Learn more here](#)...

Other

The province [announced](#) a one-time enhanced B.C. climate action tax credit payment for July 2020 to assist in the response to COVID-19.

See also: [COVID-19 Updates: Provincial Tax & Revenue Changes](#), [New emergency supports for province's most vulnerable](#) (April 2), [Notice 2020-002 - COVID-19 – Sales Tax](#), [Financial Supports in Response to COVID-19](#), [COVID-19 Provincial Support and Information](#), [Agricultural sector support news release](#), [Province provides emergency fund for children with special needs](#) (April 8, 2020), [Civil Resolution Tribunal extends deadlines, waives fees for those struggling financially during pandemic](#) (April 8, 2020), and [COVID-19 relief measures for your business](#) (Canadian Federation of Independent Business).

Alberta

News Release 2020-03-31

Prioritizing emergency legislation

Government House Leader Jason Nixon has called Alberta MLAs back to the legislature to debate important legislation related to the COVID-19 pandemic, support for Albertans, and the province's economic future.

"Our government understands that this is a challenging period of uncertainty for many Albertans. We want to assure people we are working quickly to ensure that legislation relevant to fighting the spread of COVID-19 and that our economy is set up for success once the worst of the virus passes. Albertans can be certain we are working diligently with the Opposition to address the challenges associated with COVID-19."

Jason Nixon, Government House Leader

Legislation to be debated deals with a number of issues, including modernizing the *Public Health Act* and protecting mobile home residents. Government will also be tabling legislation that updates the process for managing well liabilities in the province, which will create conditions to help the province's oil and gas industries rebound once the pandemic is over.

"Effectively managing oil and gas liabilities, including orphan wells and sites, is important in maintaining our reputation as a responsible energy producer. Enhancing the role of the Orphan Well Association plays a significant role in reducing the number of inactive sites in Alberta while at the same time creating jobs to support our economy. This ensures a sustainable oil and gas industry in our province for generations to come."

Sonya Savage, Minister of Energy

Government will be working with the Opposition to ensure MLAs are doing all they can to adhere to the best practices outlined by the chief medical officer of health. The health and safety of members and all Albertans remains our highest priority.

Alberta has a comprehensive response to COVID-19 including measures to enhance social distancing, screening and testing. Financial supports are helping Alberta families and businesses.

Alberta Corporate Tax Act – Special Notice Vol. 5 No. 57: *Extension to Alberta Corporate Income Tax Return (AT1) Filing Deadline*

Issued: April 2, 2020

NOTE: This special notice is intended to explain legislation and provide specific information. Every effort has been made to ensure the contents are accurate. However, if a discrepancy should occur in interpretation between this special notice and governing legislation, the legislation takes precedence.

Further to the tax relief measures set out in Special Notice Vol. 5 No. 56, *Deferral of Corporate Income Tax Payments*, the Government of Alberta has announced additional tax relief measures in response to the

economic impacts of the COVID-19 pandemic. Like the recent deferral of Alberta corporate income tax payments to August 31, 2020, these additional measures recognize the exceptional circumstances and challenges Alberta businesses are facing during this time.

The filing due date for an Alberta Corporate Income Tax Return (AT1) that otherwise would have a filing due date after March 18, 2020 and before June 1, 2020 is hereby extended to June 1, 2020. Alberta will not assess a late-filing penalty with respect to an AT1 otherwise due during this deferral period but filed on or before June 1, 2020.

Additional Information

For additional information on Alberta's corporate income tax program, refer to the Corporate Income Tax page of our website. For additional information on COVID-19, refer to the COVID-19 coronavirus info for Albertans page of our website.

Corporate Income Tax Special Notice Vol. 5–56: *Deferral of corporate income tax payments* (updated April 3, 2020)

NOTE: This special notice is intended to explain legislation and provide specific information. Every effort has been made to ensure the contents are accurate. However, if a discrepancy should occur in interpretation between this special notice and governing legislation, the legislation takes precedence.

Description

The Government of Alberta announced new business tax relief measures on March 18, 2020 in response to the current oil price shock and the economic impacts of the COVID-19 pandemic. Alberta businesses with corporate income tax balances that become owing on or after March 18, 2020, or installment payments coming due between March 18, 2020 and August 31, 2020, can defer making these payments until August 31, 2020. Alberta will waive penalties and interest that would otherwise be payable in respect of these payments.

(See related tab for an additional measure announced April 2, 2020: special notice Vol. 5 No. 57 : Extension to Alberta corporate income tax return (AT1) filing deadline.)

Details

The Government of Alberta announced new business tax relief measures on March 18, 2020 in response to the current oil price shock and the economic impacts of the COVID-19 pandemic. These measures recognize the cash flow challenges Alberta businesses are facing in these exceptional economic circumstances and will supplement similar relief announced by the Government of Canada.

Alberta businesses with corporate income tax balances that become owing on or after March 18, 2020 or installment payments coming due between March 18, 2020 and August 31, 2020, can defer making these payments until August 31, 2020. Alberta will waive penalties and interest that would otherwise be payable in respect of these payments.

Alberta will also modify the provincial corporate income tax audit and collection practices during Alberta's Public Health Emergency (COVID-19).

This deferral measure is not available in respect of tax balances or installment payments coming due during this period for which payments were made to government prior to March 18, 2020.

Additional Information

For additional information on COVID-19, refer to the COVID-19 coronavirus info for [Albertans page](#) of our website.

For complete information on Alberta's corporate income tax program, refer to the [Corporate Income Tax page](#) of our website.

COVID-19 support for employers and employees

News Release 2020-03-20

Measures to protect employers and employees from the economic disruption of COVID-19 and position Alberta for recovery.

Overview

The Alberta government will provide immediate funding and supportive measures to support local businesses, employers and employees.

Support for employers

Corporate income tax changes

- Corporate income tax balances and instalment payments will be deferred from March 19 until August 31, 2020 to increase employers' access to cash so they can pay employees, address debts and continue operations.

Utility payment deferral

- Residential, farm and small commercial customers can defer electricity and natural gas bill payments for the next 90 days to ensure no one will be cut off, regardless of the service provider.
- Call your utility provider directly to arrange for a 90-day deferral on all payments.

Banks and credit unions

Credit unions

- Business members should contact their credit union directly to work out a plan for their personal situation

ATB Financial

- Small business customers can: apply for a payment deferral on loans and lines of credit for up to 6 months; access additional working capital
- Other businesses and agriculture customers can access support on a one-on-one basis. Further solutions are being considered at this time

Job-protected leave

Changes to the Employment Standards Code will allow full and part-time employees to take 14 days of job-protected leave if they are: required to self-isolate; caring for a child or dependent adult that is required to self-isolate.

To be eligible, employees: will not be required to have a medical note; do not need to have worked for an employer for 90 days. This leave covers the 14-day self-isolation period recommended by Alberta's chief medical officer. This leave may be extended if the advice of the chief medical officer changes. The leave does not apply to self-employed individuals or contractors.

Vacation pay, leave or banked overtime

Employers and employees may consider using other available leaves should an employee be required to self-isolate.

- Employees can request using their vacation pay or banked overtime, but employers are not required to grant the request. Provincial employment rules only require employers to provide vacation pay, vacation leave or pay banked overtime within a year of it being earned.
- Employers can request employees voluntarily take vacation leave and/or use their vacation pay or banked overtime, but cannot force them to do so under provincial employment rules.

Employment insurance benefits

Employees may consider applying for federal Employment Insurance benefits.

- Allows up to 15 weeks of assistance if a person cannot work due to medical reasons such as self-isolation or self-quarantine.
- The one-week waiting period for Employment Insurance benefits has been waived by the federal government.

Business continuity plans

Employers should consider their business continuity plans and how COVID-19 could impact their workplace. To prepare, make plans to: protect employees; limit spread in workplaces; ensure continuity of critical services if staff are ill or self-isolating; explore alternate working arrangements, such as: working from home or remotely, doing work that doesn't require contact with other people

Additional financial support for Albertans and employers

News Release 2020-03-23

More relief is on the way for Albertans and Alberta employers.

The government has made three significant decisions that will give Albertans and Alberta employers additional supports as they deal with the impacts of the COVID-19 crisis.

“Our priority is to keep our province strong while we get through these difficult times together. We’re doing everything we can to support Albertans and Alberta employers through this crisis. That’s why we’re focused on creating tangible savings for households and freeing up necessary cash for businesses to help them through these unprecedented times.”

Jason Kenney, Premier

Education property tax freeze

During a pandemic, Alberta households should not need to worry about paying additional property taxes.

- The government will immediately cancel the decision made in Budget 2020 and will freeze education property taxes at last year’s level.
- Reversing the 3.4 per cent population and inflation adjustment will save Alberta households and businesses about \$87 million in 2020-21, which means \$55 million for households and \$32 million for employers.
- The government expects that Albertans and Alberta businesses will fully realize these savings and that municipal property tax levels will not be increased as a result of the lower provincial education property tax levels.

Education property tax deferral for business

When Alberta businesses are operating, they employ Albertans who can support themselves, their families and help keep the economy running. Effective immediately, the government will defer education property tax for businesses for six months.

- In the next six months, \$458 million in cash will remain with employers to help them pay employees and continue operations.
- The government expects municipalities to set education property tax rates as they normally would, but defer collection. Deferred amounts will be repaid in future tax years.
- The government encourages commercial landlords to pass on these savings to their tenants through reduced or deferred payments. This will help employers continue to manage their debts, pay their employees and stay in business.
- Businesses capable of paying their taxes in full are strongly encouraged to do so. This will assist the province in being able to support Albertans through this pandemic.

“Eliminating the scheduled adjustment of education property taxes and deferring collection of non-residential property taxes will result in savings to Albertans and improved business cash flow. This measure will help

Alberta households and businesses during this time – we want to keep Albertans working while we get through these difficult times together.”

Travis Toews, President of Treasury Board and Minister of Finance

WCB premiums deferral for private sector businesses and support for small and medium businesses

Private sector employers can save money on their WCB premium payments at a time when they need it most. These actions ensure the sustainability of the workers' compensation system and that injured workers continue to receive the benefits and supports they need to return to work.

- 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.

Additional measures to help families, students and employers

Previously announced measure taken by the province to protect Albertans and assist businesses include:

- The collection of corporate income tax balances and instalment payments is deferred until Aug. 31, 2020. This gives Alberta businesses access to about \$1.5 billion in funds to help them cope with the COVID-19 crisis.
- \$50 million to support emergency isolation for working adult Albertans who must self-isolate, including persons who are the sole caregiver for a dependent who must self-isolate, and who will not have another source of pay or compensation while they are self-isolated. It is distributed in one payment instalment to bridge the gap until the federal emergency payments begin in April.
- Utility payment deferral for residential, farm, and small commercial customers to defer bill payments for the next 90 days and ensure no one is cut off from electricity and natural gas services during this time of crisis.
- A six-month, interest-free moratorium on Alberta student loan payments for all individuals who are in the process of repaying these loans.

Other

- Residential, farm and small commercial customers can defer electricity and natural gas bill payments for the next 90 days, regardless of their service provider to ensure no one will be cut off, regardless of the service provider (the payment deferral is also available to Albertans who are experiencing financial hardship as a direct result of COVID-19). See [COVID-19 support for employers and employees](#);
- The Government announced on March 17, 2020, that it is implementing a six-month, [interest free moratorium on Alberta student loan payments](#);

- [Relief for forest companies affected by COVID-19](#) (April 4, 2020);

See also News Releases: [Protecting jobs, providing economic relief for energy sector](#), [Economic Recovery Council, \\$2 billion investment in job creation](#) (April 9), and [COVID-19 supports for Albertans, Alberta: COVID-19 relief measures for your business](#) (Canadian Federation of Independent Business), and BLG, "[Emergency legislative amendments to support Alberta's oil and gas sector](#)", April 8.

Manitoba

Manitoba Government Extends Tax Payment Filing Deadlines for Businesses

News Release 2020-03-22

Extension Could Help More Than 20,000 Manitoba Businesses Cope with Impacts of COVID-19: Pallister

The province is extending tax filing deadlines for businesses impacted by COVID-19, Premier Brian Pallister and Finance Minister Scott Fielding announced today.

“Manitoba businesses are facing a challenging economic situation caused by the COVID-19 pandemic and we want to help them out by giving them more time to submit provincial taxes,” said Pallister. “Some businesses may need access to these extra funds and we want to provide them with that flexibility. The allowance is one of several measures our government has introduced to help Manitobans cope during this trying and uncertain time.”

The province will extend the April and May filing deadlines for small and medium-sized businesses with monthly remittances of no more than \$10,000. It is estimated this could help more than 20,000 businesses in Manitoba, the premier noted. Businesses will have up to two additional months to remit retail sales taxes and the Health and Post Secondary Education Tax Levy, commonly called the payroll tax.

“This extension gives small and medium businesses a two month breather to deal with COVID-19,” said Fielding. “This global pandemic is impacting all Manitobans and while we focus our resources and energy on the health of Manitobans, we must be mindful of the financial toll the pandemic is having on businesses and families. Over 95 per cent of Manitoba business are small or medium sized, and they need government support through this difficult time.”

The minister noted the department will work with businesses regarding flexible repayment options above the \$10,000 cap.

Further information regarding filing requirements will be available Monday on the Manitoba Tax Publications page on the Finance Taxation website at www.gov.mb.ca/finance/taxation/bulletins.html.

For more information: Public information, contact Manitoba Government Inquiry: 1-866-626-4862 or 204-945-3744. Media requests for general information, contact Communications Services Manitoba: 204-945-3765. Media requests for ministerial comment, contact Communications and Stakeholder Relations: 204-945-4916.

Manitoba News Release 2020-04-03: PROVINCE ANNOUNCES OVER \$100 MILLION IN SUPPORT AND RELIEF FOR MANITOBA'S FIGHT AGAINST COVID-19

Manitoba Protection Plan Ensures Government Can Respond Quickly and Effectively to Needs of Manitobans: Pallister

The Manitoba government is announcing new measures in the Manitoba Protection Plan to provide extra support and relief to homeowners and businesses, and to enhance health preparedness for new medical equipment and shelter space in the fight against COVID-19, Premier Brian Pallister announced today.

“Our government’s number one priority during this global pandemic is keeping Manitobans safe and ensuring our health-care system is there for us and our loved ones,” said Pallister. “We must protect our most valuable service – our health-care system – and protect our most vulnerable people, our senior citizens, our homeless, those faced with threats of violence and those who are facing new financial challenges.”

...

Cash Flow Tax Relief

Today’s measures will provide immediate relief to Manitobans facing financial challenges by deferring provincial fees and charges, the premier noted. As part of the Manitoba Protection Plan, the province is providing the following protections for the next six months until Oct. 1:

- instructing Manitoba Hydro, Centra Gas and Manitoba Public Insurance (MPI) to not charge interest or penalties in the event that Manitobans are unable to pay at this time;
- instructing MPI to relax ordinary practices on policy renewals and collections;
- instructing Manitoba Liquor and Lotteries not to charge interest on receivables from restaurants, bars and specialty wine stores;
- supporting Workers Compensation Board (WCB) to do the same and asking WCB to extend relief from penalties for late payments;
- directing Manitoba Hydro and Centra Gas to not disconnect customers during these times; and
- working with municipal partners to ensure municipalities do not charge interest on provincial education taxes and school division fees and the province is encouraging municipalities to do the same with respect to their own taxes and will start discussions to support implementation.

The government is also deferring provincial income tax and corporate income tax filing deadlines and payments to coincide with the current revised federal deferral of income tax to Aug. 31 and has indicated it would be willing to extend these deferrals until Oct. 1, should the federal government agree, the premier added.

The new measures are in addition to the recently announced two-month deferral for small businesses that remit up to \$10,000 in Manitoba payroll tax or \$10,000 in sales tax. This will result in \$80 million in deferred remittance to the province....

For more information, visit www.manitoba.ca/covid19.

Other

- RST Notice 20-03: *Government Extends Tax Deadlines* (RST returns for businesses with monthly RST remittances of \$10K or less per month that would normally be due on April 20 and May 20 are now due on June 22, 2020. For businesses that file on a quarterly basis having a due date of April 20, the due date is extended to June 22, 2020. Businesses entitled to these extensions are also exempt from late-filing penalties and interest in respect of the March 20 filing if the business files before June 22, 2020);
- HE Notice 20-01: *Tax Filing Deadline Extension* (Health and Post Secondary Education Tax Levy (also known as HE Levy) returns for 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);
- [Manitoba to postpone eviction hearings and freeze rent increases](#) (News Release);
- [Manitoba implementing \\$27.6-million plan to support child care for essential workers](#) (News Release);
- [Student Loan Repayments Suspended to Lessen Cost Burden during Pandemic](#) (April 7, 2020);
- [Province creates new \\$5 million fund for research projects related to COVID-19](#) (April 8);
- [Manitoba: COVID-19 relief measures for your business](#) (Canadian Federation of Independent Business)

Saskatchewan

Premier Announces Financial Support Plan For Saskatchewan Employers And Employees

News Release 2020-03-20

Today, Premier Scott Moe announced a significant financial support plan for Saskatchewan employers and employees hit by the impacts of the COVID-19 pandemic.

“During this time of great uncertainty, it is of the utmost importance that Saskatchewan people know their government is here to provide support,” Moe said. “This plan supports businesses and employees. Most importantly, it supports the opportunity to come back to work when we emerge from the COVID-19 crisis.”

The financial support plan outlines a number of mechanisms for reducing costs for businesses and individuals, providing support to self-employed individuals not covered by new federal support measures, and establishes a Business Response Team designated to support Saskatchewan businesses during this time of uncertainty.

Self-Isolation Support Program

Administered by the Ministry of Finance, the Self-Isolation Support Program will provide \$450 per week, for a maximum of two weeks or \$900. The Self-Isolation Support Program is targeted at Saskatchewan residents forced to self-isolate that are not covered by recent federally announced employment insurance programs and other supports. The program is designed to ensure that all Saskatchewan residents are covered by either a federal or provincial program to ensure no one is faced with choosing to work instead of protecting their family and community from COVID-19 by self-isolating.

The program is anticipated to cost a total of \$10 million and will mostly benefit self-employed residents of Saskatchewan that meet the following eligibility criteria: 1) They have contracted COVID-19 or are showing symptoms; 2) They have been in contact with an individual infected with COVID-19; 3) They have recently returned from international travel and have been required to self-isolate; AND 4) If they are not eligible for compensation including sick leave, vacation leave from their employer, If they do not have private insurance covering such disruptions, If they are not covered by other programs such as federal employment insurance that has been updated.

Three Month PST Remittance Deferral and Audit Suspension

Effective immediately, Saskatchewan businesses who are unable to remit their PST due to cashflow concerns will have relief from penalty and interest charges. Over the course of three-months; government estimates a potential deferral of up to \$750 million in PST collections. Businesses that are unable to file their provincial tax return(s) by the due date may submit a request for relief from penalty and interest charges on the return(s) affected.

At this time, audit program and compliance activities have been suspended to allow businesses time to focus on the health and safety of their customers and staff, reduce impacts to their business operations, and minimize the spread of the virus through reduced audit travel.

Crown Utility Interest Deferral Programs

Earlier this week, government announced a crown utility interest deferral program waving interest on late bill payments for up to six months. Effective immediately, the crown utility interest deferral program is available to all crown utility customers.

Student Loan Repayment Moratorium

Effective immediately, a six-month student loan repayment moratorium has been put in place, mirroring a similar federal provision. This provides individuals with student loans immediate relief, and comes at a \$4 million cost to the provincial government.

Changes to Employment Standard Regulations

In addition to changes made to changes to The Saskatchewan Employment Act that introduced a new unpaid public health emergency leave and removed the 13-week employment requirement to access sick leave and the requirement for a doctor's note to access sick leave, The Employment Standard Regulations have been amended to: 1) Ensure that during a public emergency, businesses will not have to provide notice or pay in lieu of notice when they lay-off staff if it is for a period of 12 weeks or less in a 16-week period. 2) And if an employer lays off employees periodically for a total of more than 12 weeks in a 16-week period, the employees are considered to be terminated and are entitled to pay instead of notice as outlined in the Act. This will be calculated from the date on which the employee was laid off.

These amendments create a balance for employers and employees where the difficult decision may be made to lay-off employees due to public health emergencies. In this circumstance, employees would have immediate access to new federal employment insurance programs, while keeping employers financially stable to ensure employees have a job to return to.

Business Response Team to be Established

To provide support to Saskatchewan businesses seeking to navigate the uncertain conditions caused by COVID-19, the Government of Saskatchewan will be establishing a single window information webpage for businesses to access information and receive timely updates on provincial support initiatives. This will be complemented by the establishment of a Business Response Team, led by the Ministry of Trade and Export Development, which will work with businesses to identify program supports relevant to particular businesses. Once the Business Response Team has been established, contact information will be communicated to the public, and to local chambers of commerce for dissemination to chamber membership.

Information Notice IN 2020-03, Notice to Businesses Regarding Penalty and Interest on Late Returns Due to COVID-19 [Revised April 2, 2020]

NOTICE TO BUSINESSES REGARDING PENALTY AND INTEREST ON LATE RETURNS DUE TO COVID-19

Effective immediately, the following assistance is provided to Saskatchewan businesses that are unable to submit their Provincial Sales Tax (PST) returns due to cash flow concerns related to impacts of COVID-19.

- Tax returns must still be filed each month/quarter (with or without payment) if you are able to do so.
- Monthly filers may defer payment of amounts due for February, March and April 2020 reporting periods to July 31, 2020.
- Quarterly filers may defer payment of amounts due for the January 1, 2020 to March 31, 2020 reporting period to July 31, 2020.
- Businesses are not required to submit a request for relief from penalty and interest charges for these returns.
- Full payment or a payment arrangement must be in place by July 31, 2020 in order to qualify for the automatic deferral and waiver of penalty and interest.
- Payment arrangements may be made by submitting a request electronically through the Saskatchewan eTax Services (SETS) located at sets.saskatchewan.ca, or by contacting us by email at sasktaxinfo@gov.sk.ca or at the address noted below.
- Relief is not provided in relation to other tax types at this time.

Please note the easiest and quickest way to file most provincial tax returns is to use SETS located at sets.saskatchewan.ca and send payment electronically.

At this time, audit program and compliance activities have been suspended to allow businesses time to focus on the health and safety of their customers and staff, reduce impacts to their business operations, and minimize the spread of the virus through reduced audit travel.

For additional information regarding financial support for businesses (provincial and federal), and for other information related to COVID-19, please visit www.saskatchewan.ca/coronavirus.

Other

See also:

- [Support for Businesses](#) and [Support for Workers](#);
- News Releases: [Premier Announces Financial Support Plan For Saskatchewan Employers And Employees](#), [Premier Announces Financial Support Plan For Saskatchewan Employers And Employees](#), [Saskatchewan Launches Business Response Team](#);
- [Saskatchewan: COVID-19 relief measures for your business](#) (Canadian Federation of Independent Business).

Atlantic Provinces

COVID-19 Measures

- **New Brunswick:** [COVID-19 Guidance for Businesses](#); [Relief on co-pay for drug plans](#); [Child care for those who lost income and essential workers](#); [One-time income benefit for unemployed workers](#); [COVID-19 relief measures for your business](#) (Canadian Federation of Independent Business);
- **Nova Scotia:** See: [Measures to Help Citizens, Businesses Affected by COVID-19](#) (April 2 – announced a new \$20M Worker Emergency Bridge Fund and \$20M to fund the Small Business Impact Grant – eligible small businesses and social enterprises will receive a grant of 15 per cent of their revenue from sales, either from April 2019 or February 2020, up to a maximum of \$5K), <https://novascotia.ca/coronavirus/#support>, and [COVID-19 relief measures for your business](#) (Canadian Federation of Independent Business);
- **PEI:** [Province provides COVID-19 economic update, confirms property tax relief](#) (property tax and fee payments are deferred until December 31, 2020, property assessment appeal deadlines for the 2020 assessment year are extended to December 31, 2020, interest on all past due property tax amounts for tax year 2020 are waived, tax sale processes for the remainder of 2020 are suspended, mailing of provincial tax bills for 2020 is delayed until June 2020); [Province Announces COVID-19 Special Situations Fund](#) (April 2 – \$1M to fund a one-time payment of \$1K to residents who have lost income due to COVID-19, but are not eligible for other federal and provincial funding support), [Emergency Income Relief for the Self-Employed](#), [Emergency Working Capital Financing](#), [Finance PE](#), [Province announces additional supports for individuals and families](#), [Province announces more financial support for Islanders](#), and [COVID-19 relief measures for your business](#) (Canadian Federation of Independent Business); and,
- **Newfoundland & Labrador:** [Public Advisory: Changes Made to Tax Return Filing Deadlines and Remission of Interest and Penalties](#) (April 7, 2020); [COVID-19 Information](#), [Premier Ball Announces Support for Community-Based Organizations](#), [COVID-19 relief measures for your business](#) (Canadian Federation of Independent Business)

Assistance for Businesses Impacted by COVID-19 – Atlantic Canada Opportunities Agency

Canada's Regional Development Agencies (RDAs) are closely monitoring the COVID-19 global challenge and the potential impact it could have on your business and your workers, as well as the broader economy. RDAs are the front line for economic development in Canada and help to address key economic challenges by providing regionally tailored programs, services, knowledge and expertise

Q1. My organization received funding from ACOA to organize/participate in a trade mission that has since been canceled. What should I do if I have incurred costs related to my participation?

A1. The Government of Canada understands that the impacts and restrictions resulting from the COVID-19 global challenge are affecting all Canadians in different ways. Your ACOA account manager is ready to help. Contact them directly and they will assess your situation, provide advice on potential funding options, and help you resolve the situation.

Q2. My business has been negatively impacted by the economic shift caused by COVID-19, and I am concerned about meeting my obligations under my contribution agreement. What should I do?

A2. ACOA officials are closely monitoring the COVID-19 global challenge and the potential impact it could have on Atlantic Canadian businesses and the region's economy. Contact your ACOA account manager directly and they will assess your situation, provide advice on potential funding options, and work with you to find solutions.

Q3. My organization received funding from ACOA to host an event that we have been forced to postpone because of COVID-19 prevention measures. What should I do?

A3. ACOA is here to help. Contact your ACOA account manager, who is ready to work with you to assess your situation, provide advice on potential funding options, and help you find solutions.

Q4. I recently submitted a project application and would like to know how long the process should take. In light of the recent COVID-19 challenge, will ACOA continue to process applications?

A4. The Government of Canada continues to serve Canadians. ACOA will continue to process all applications and keep our clients up to date on information related to their project applications. You are encouraged to reach out to your nearest ACOA office, and visit our website for more information on programs offered.

Q5. My business is suffering due to the economic shift in our economy. Can ACOA help?

A5. Businesses that are impacted by sudden shifts in the economy are strongly encouraged to get in touch with ACOA officials. Business officials should speak with their account manager or call one of the following ACOA offices:

New Brunswick: 1-800-561-4030

Nova Scotia: 1-800-565-1228

Prince Edward Island: 1-800-871-2596

Newfoundland and Labrador: 1-800-668-1010

Head Office: 1-800-561-7862

Territories

Northwest Territories COVID-19 Economic Relief

News Release 2020-03-30: Supporting people, businesses and communities in response to COVID-19

Yellowknife — March 31, 2020

Ministers' Statements and Speeches

Good morning

It is a pleasure to be here today, starting the week by talking to you about the second wave of funding and financial program changes that the Government of the Northwest Territories is rolling out to help support individuals, families, businesses and communities.

The last time we were here, when we discussed the roll out of the first wave of financial relief the GNWT put together in response to COVID 19, I said that we would continue to look for opportunities to be creative in the delivery of government services.

I am pleased to be here again with you today to introduce a second wave of financial relief measures our government has identified to keep or put money in the hands of residents and businesses as we all do our part to prevent the spread of COVID 19.

First, I would like to talk about some changes to the Income Assistance Program.

Minister Simpson and his team have identified a series of immediate changes that will help support some of our most financially vulnerable citizens.

Today, we are introducing a one-time emergency allowance for income assistance recipients that will provide \$500 to single recipients, and \$1000 to households with two or more people to ensure that they have appropriate cleaning supplies, and are prepared for a 14 day period of self-isolation.

We are also be providing additional benefits to Income Assistance clients by excluding 'gifts and unearned income' from the calculation of earned income until June 30, 2020. This change will ensure that income assistance clients are able to keep whatever money they are given or earn over the next several months.

Next, Minister Chinna and her team at the NWTHC have identified \$5 million dollars to support the immediate need to provide housing to people who are homeless or have housing instability so that they can self-isolate. \$1.4 million of this funding will support the development of 36 housing units at the Aspen apartments and 25 units at the Arnica Inn; while \$3.6 million will be directed to renovating 130 units in communities across the NWT. These units will ensure that individuals have somewhere safe to stay right away if they need to self-isolate and will help to reduce the risk of spreading Covid-19 associated with overcrowded and instable housing.

We are also announcing several sector specific initiatives today, including:

- Health and Social Services is waiving professional fees for medical professionals in the territory;
- The GNWT will waive interest charges on all late tax returns between March 15 and June 30 including fuel tax and payroll tax; and
- In support of our restaurant and hospitality industry, the NWTLCC will offer to buy back any unopened alcohol stock, ensuring that businesses have access to the cash they need now.

Together with the initiatives being announced by Minister Nokleby, this second wave of financial relief in response to the COVID 19 pandemic is the next step in our work to support northerners and is valued at approximately \$8.259 million. These initiatives are to be implemented immediately.

This adds to the initial financial responses announced earlier this month for a combined total value of approximately \$21.459 million in GNWT financial relief to COVID-19.

As I said the last time, we will continue our work to support the people, businesses and communities of the Northwest Territories.

Our Premier and every Cabinet Minister have regular calls with our Federal, Provincial and Territorial counterparts where we share ideas and initiatives that we are undertaking here in the NWT, as well as thoughts and ideas on how to make the Federal programs as effective as possible for each region's particular challenges; including, for example, the funding provided to Indigenous governments to support on the land activities. There is no doubt that we will need to continue to work closely with our Federal colleagues as we analyze and ultimately respond to the full financial impacts of COVID in the coming weeks and months.

We will also continue our financial response efforts at home. Several departments are already looking at what areas will require legislative or regulatory change in order to provide further relief for challenges created by the pandemic response. The Department of Finance continues to work with all departments to identify any areas where cost relief can be offered or existing financial supports made more flexible. Our unwavering goal is first and foremost to ensure the physical health of the people of the NWT by limiting the spread of COVID 19 but then also to ensure the mental, social and financial wellbeing of the NWT. We all remain committed to a whole of government response that will achieve these goals.

NWT News Release 2020-03-20

The Government of the Northwest Territories (GNWT) recognizes the difficulties that the COVID-19 pandemic and health measures being taken to combat the virus' spread is causing NWT businesses, service providers, residents, governments and non-government organizations. Today, Minister Caroline Wawzonek, Minister of Finance and Minister Katrina Nokleby, Minister of Industry, Tourism and Investment, and Infrastructure, announced Economic Relief Measures that will help minimize expenses and keep cash available for immediate needs in this time of uncertainty.

The GNWT has put together an initial economic relief package valued at \$13.2 Million dollars that will take effect immediately. This package is intended to work in concert with federal incentives under Canada's \$27 billion COVID-19 Economic Response Plan announced earlier this week.

In addition to this first wave of economic relief announced today by the Minister of Finance and the Minister of Industry Tourism and Investment and Infrastructure, the GNWT will continue to identify other relief measures to assist territorial residents and business owners and operators as we respond to COVID-19.

Quotes

“The GNWT has been able to identify immediate steps we can take to waive fees, ease funding restrictions, and defer payments in order to reduce economic stress on territorial residents and businesses. This is not a time for anyone to worry about bills or payments. Right now we want to ensure that business who provide public services can do so safely and that employees who can stay home do so without worrying about economics. By working together we stand the best chance of reducing the potential for COVID-19 infections in the NWT.”

- Caroline Wawzonek, Minister of Finance

“We recognize that this is a difficult time for business owners and service providers in the Northwest Territories. In the short term, we will provide necessary financing to small businesses to the extent that we can. In the long term, we will work with the business community to identify a path forward to economic recovery. We are going to need help from the federal government and we will continue to be a voice for Northwest Territories’ business in discussions addressing the costs and challenges that we are experiencing. In the meantime, I urge residents to do what they can to support local business and service providers.”

- Katrina Nokleby, Minister of Industry, Tourism and Investment and Infrastructure

Quick Facts

Immediate GNWT Response Measures

Fee Reduction

Provide relief to northern supply chain businesses through a removal of fees until the end of June for: Deh Cho Bridge tolls; Truck permits; Airport landing fees; BDIC - Working Capital Loans

Offer low interest loans to businesses to help offset up to one month of COVID-19 impacts. This will also be available to new BDIC clients.

BDIC - Defer Loan Payments

Allow for the deferral of any BDIC loan payments for a period of up to three cumulative months, between April 1, 2020 and September 30, 2020, with no penalty or additional interest charges.

Establish Economic Relief and Growth Advisory Group

Begin work to establish an Advisory Council to help identify the economic impacts of the pandemic; represent the business community; and ensure that the items most critical to local economies and jobs are targeted for medium and long term government support.

Advance Portion of Net Fiscal Benefit Transfer to Indigenous Governments

Provide advance payments for the 2020 GNWT net fiscal benefit from resource revenues to Indigenous Governments that are signatories to the Devolution Agreement.

Contribution Carryovers

Allow non-government organizations, Indigenous Governments, and Community Governments with unused contribution amounts in 2019-20 to use these funds in 2020-21.

Payment Terms for Vendors

Allow small businesses and individuals to access cash flow more quickly by shortening the payment terms on GNWT invoices so that they are paid out as soon as possible.

WSSC employer fees

Extension of the due date for Employer Assessment Payments from April 1 to May 1, 2020.

GNWT Collections Policy

Provide small businesses and individuals with access to greater cash flow during this crisis, by pausing most collections efforts, including: Outside collection agency activity; GNWT set-offs on GNWT payments; GNWT set-offs on Canada Revenue Agency tax refunds; Income Assistance; Increase funding available for the Income Assistance program.

Student Financial Assistance

Defer the payment of student loans to September 30, 2020, including not charging interest for this period.

NTPC Load Limiters/Collections Policy

Support NWT residents by removing load limiters, ceasing disconnections, and pausing collection efforts.

For all COVID-19 Media Requests, Contact:

Cabinet Communications

Government of the Northwest Territories

presssecretary@gov.nt.ca

Yukon

The spring sitting of the Legislative Assembly ended early in light of the COVID-19 public health emergency, with key budget and income tax Bills receiving assent.

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