



COVID-19 – Canada

Tax & Economic Measures
Federal & Provincial Summary

EY Canada

Updated: 13 April 2020 2:30 pm EDT

GROUP VIDEO CONFERENCE TIPS

Remember to unmute your
microphone to speak

Have a pen and paper handy. Jot
down what you want to share/ask
during the discussion sections.

WHAT WILL BE COVERED

TAX & OTHER REMITTANCES

- Federal
 - Tax Filing Dates
 - Payment Dates
 - Other Related Measures
- Provincial
 - Tax Filing & Payment Deferrals
 - Other Related Measures

FOR EMPLOYERS & INDIVIDUALS

- Temporary Wage Subsidy (10%)
- Canada Emergency Wage Subsidy (75%)
- Refund employer-paid contributions to EI, CPP, QPP and the QPIP
- Canada Emergency Response Benefit
- Employment Insurance
- Work-Sharing Program
- Canada Emergency Business Account
- Business Credit Availability Program
- Other Measures
 - Low Income Credits
 - Seniors & Pensioners
 - Students
 - Small Business Loans



Canadian Federal Tax Measures

Including Quebec & Alberta Corporate Tax Measures

TAX RETURNS & PAYMENT DEFERRAL MEASURES

INCOME TAX RETURN DUE DATE

- Individuals (other than self-employed): June 1st - Was April 30th
- Individuals (self-employed & spouses): June 15th - No Change
- Trusts:
 - If TYE is Dec 31, 2019, then May 1, 2020 (was 90 days after)
 - If filing due date is otherwise in April or May, then June 1, 2020
- Partnerships (T5013) + Withholding Tax Returns (NR4)
May 1st - Was March 31st
- Corporations - Any return due after March 18th but before June 1st, now due June 1st, otherwise, no change

- Charities - December 31, 2020 if T3010 was due between March 18 - December 31
- Information returns - June 1, 2020 - applies to information returns due after March 18

DEFERRAL OF PAYMENT DATES

- Income Tax Payments (includes balances and instalments under Part I) due on or after March 18, 2020 deferred to September 1, 2020
- Applies to Individuals, Corporations, & Trusts (Alta Corp Tax - Aug 31, 2020)
 - Trusts (Interest and penalty relief on a case-by-case basis)
- Payroll Source Deductions & Withholding Taxes - no deferral or change

GST/HST + QST DEFERRAL

FEDERAL GST/HST

- Remittance Amounts due on or after March 27, 2020 and before June 1, 2020, now due **June 30, 2020**
- Monthly Filers – Feb/Mar/Apr Remittance Deferred
- Quarterly Filers – Q1 2020 Remittance Deferred
- Annual Filers – 2019 Balance and 2020 Instalments falling due during that period
- FILING: Registrants requested to continue filing returns on time, but if late, no penalty if filed by **June 30, 2020**
- Applies to All Registrants – including non-residents

QUEBEC QST

- Remittance Amounts due on or after March 27, 2020 and before June 1, 2020, now due **June 30, 2020**
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- Applies to All Registrants – including non-residents

COLLECTIONS, AUDITS, & APPEALS (CRA and QRA)

AUDITS

- No new audits being launched, including no requests for info under existing audits
- Only high risk & exceptional audits proceeding (i.e. high risk GST/HST refund claims)
- All other audit activity suspended
- CRA deadlines for responses (i.e. audit queries, responses to proposed assessments, etc.) are all suspended.

"No action is required from you at this time."

- No audits finalized or reassessments issued
- Telephone services are not available.

OBJECTIONS, APPEALS, TAXPAYER RELIEF

- Objections re entitlements to credits or benefits identified as critical service and objections to proceed without delay (i.e. GST/HST/QST net tax refunds)
- Objections due March 18th or later, now due June 30, 2020
- All other objections on hold
- COVID-19 Taxpayer Relief Application will be processed on priority basis once back

COLLECTIONS

- Actions on new debts suspended
- Banks & employers need not comply with Requirements to Pay during this time
- Debt Management Call Centre service is closed

QUÉBEC – TAX MEASURES & DEFERRALS

- Tax filing and remittance deadlines are harmonized with the Federal.
- Deadline to take "administrative tax actions" will be extended to **June 1, 2020** for actions with a filing deadline between March 17 and May 31, 2020.
- This deferral will cover, in particular, the following administrative tax measures:
 - Corporate income tax returns
 - Application for a fuel tax refund
 - Mandatory or preventive disclosure of AFP;
 - Elections provided for in Quebec tax legislation or regulations, such as a rollover (except for QST elections that are harmonized with the GST);
 - Application for a tax credit on presentation of documents
- Acceleration of Tax Credits and Tax Refunds processing
- Revenu Québec will allow tax preparers to use an electronic signature on certain forms
 - TP-1000.TE-V for individuals
 - CO-1000.TE for corporations

CUSTOMS DUTIES DEFERRAL

Customs Duties & Import GST – Payment deadlines for statements of account for March/April/May now due **June 30, 2020**

- Canada Border Services Agency (CBSA) receives the payments for amounts due on the Statement of Account (SOA) from 25th to 31st.
- Pursuant to subsection 33.7(1) of the **Customs Act** the Minister of Public Safety and Emergency Preparedness has extended the payment deadlines for amounts owing.
 - Customs duties and GST on regular imports, re-assessments, penalties, etc.
 - CBSA will change the due date automatically – no need to apply
- Limited Waiver of Penalties for late accounting under the **Accounting for Imported Goods and Payment of Duties Regulations**
 - Minister automatically granting (no application required) waiver of late accounting penalties on transactions released **from March 11 to May 14, 2020** only.
 - No application required. Waiver will apply automatically.

WHAT HASN'T BEEN DEFFERED (or at least not yet)

- Payroll Source Deductions remittances
 - Except for Québec where the deadline for individuals to pay any Québec Pension Plan, Québec Parental Insurance Plan, Health Service Fund, and Québec drug insurance plan contributions for the 2019 taxation year is postponed to **September 1, 2020**
- Part XIII Withholding Tax & Reg 105 Withholding remittances
- Excise and Excise Taxes
- Federal Fuel Charge/Carbon Pricing
- Federal Insurance Premium Taxes
- Environmental Fees & Levies
- Québec: The deferral of the payment of the balance of tax and the payment of instalments does not apply to the compensatory tax for financial institutions, the tax on capital for insurance corporations or the tax on capital life insurance corporations



DISCUSSION / QUESTIONS

- Please share any additional information or questions you may have. Together we are all much more knowledgeable and well informed.
- Please don't hesitate to speak up. With us all scattered across the continent working from our homes, we need to make an extra effort to connect.

A detailed 3D rendering of several virus particles, likely coronaviruses, against a dark red, textured background. The central virus is in sharp focus, showing its characteristic spherical shape and numerous spike-like protrusions. Other virus particles are visible in the background, some in focus and some blurred, creating a sense of depth. The overall color palette is dominated by dark reds and greys.

Canadian Provincial Tax Measures

BRITISH COLUMBIA – TAX DEFERRALS & OTHER MEASURES

TAX DEFERRAL & REDUCTION

All of the following filings and payments due on or after March 23, 2020 deferred to **September 30, 2020**

- Employer Health Tax (2019)
- Provincial Sales Tax (including municipal & regional district tax on accommodation)
- Carbon Tax
- Tobacco Tax
- Motor Fuel Tax

Property Tax – School Tax rates (Class 4, 5, 6) reduced by 50% for 2020

OTHER MEASURES

- BC Finance open for business – processing refunds
- Q1 Worksafe BC Premiums deferred from April 20 until **June 30, 2020**.
- BC Budget 2020 Measures deferred for reconsideration after **Sept 30, 2020**
- Carbon tax rate increase
- Elimination of PST exemption on carbonated beverages
- Registration of foreign sellers of software and telecommunication services
- Registration of Canadian sellers of goods.

The last two are unconstitutional anyway.

ALBERTA – TAX DEFERRALS & OTHER MEASURES

- Alberta Corporate Income Tax Instalments & Payments also deferred to **August 31, 2020**
- Filing due date for Corporate Income Tax Return (AT1) due between March 18 – June 1 are now due **June 1, 2020**.
- Alberta Tourism Levy – March 27 to August 31 payments now due **August 31, 2020** but returns must still be filed on time
- WCB payments will be deferred for all businesses to **2021**. If payments have been made refunds are available. For small and medium businesses, Alberta will cover 50 per cent of the premium when it is due.
- Education Property Tax Deferral and Rate Freeze. Municipalities to set education property tax rates as they normally would, but defer collection.
- Energy Sector Specific– \$113M in funding for regulator to distribute; extending the term of mineral agreements that expire in 2020 by 1 year; \$100M loan extended to the Orphan Well Association to decommission 1000 wells and support job creation.

PRAIRIES – TAX DEFERRALS & OTHER MEASURES

SASKATCHEWAN

- PST – Saskatchewan businesses that are unable to remit PST due to cashflow concerns have 3-month relief from interest and penalties, until **July 31, 2020**. Relief applied automatically – no written request is required (**Note: This is a change from the original announcement**).
- Audit and compliance programs suspended
- Crown utilities (e.g. Sask Power) will implement bill-deferral programs allowing a zero-interest bill deferral for up to six months
- Certain municipalities offering property tax deferrals.

MANITOBA

- July 1, 2020 PST reduction from 7% to 6%, Tobacco Tax rate increase, & Green Levy deferred until further notice.
- PST – Monthly Filers with RST Remittance of \$10,000 or less, and Quarterly Filers – Remittances due April 20 and May 20 now due **June 22, 2020**
 - Same small/medium businesses that missed February return due March 20, 2020 won't be assessed late filing penalty or interest if filed by **June 22, 2020**

Page 14 Interest on prior balances continues to accrue.

ONTARIO – TAX DEFERRALS & OTHER MEASURES

- Tax filing and remittance deadlines remain the same, but . . .
- Beginning April 1, 2020, Interest & Penalties will not apply for **a five month** period if late filed or late remittance of the following: (Relief automatic – no need to apply.)
 - Tobacco Tax
 - Fuel Tax & Gas Tax
 - Beer, Wine & Spirits Tax
 - Mining Tax
 - Insurance Premium Tax
 - RST on Insurance Contracts and Benefit Plans
 - International Fuel Tax Agreement
 - Race Track Tax
 - Employer Health Tax
- Employer Health Tax Exemption for 2020 (only) raised from \$490K to \$1M
 - only for employers where the payroll of associated entities (excl. registered charities) is <\$5M
- Audit Activity Suspended for month of **April 2020**
- WSIB Premium Reporting and Payment deferred to **August 31, 2020**

ATLANTIC PROVINCES – TAX DEFERRALS & OTHER MEASURES

NOVA SCOTIA

- WCB Premiums, Small Business Renewal fees deferred until June 30, 2020

NEW BRUNSWICK

- WorkSafeNB Premiums collected in Feb/Mar/April now due June – payroll must still be reported for proper June billing.
- Business property taxes due May 31 (no change) – but interest & penalties waived on case-by-case basis

PRINCE EDWARD ISLAND

- WCB PEI Premiums for Feb/Mar/April now due June 30, 2020

NEWFOUNDLAND & LABRADOR

- WorkplaceNL premiums – Collection of employer assessments deferred until June 30, 2020
- Statutory authority to vary deadlines for annual reports and audit reviews.



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Financial Assistance for Employers & Workers

EY Canada

Updated: 12 April 2020 11 pm EDT

FEDERAL – TEMPORARY WAGE SUBSIDY FOR EMPLOYERS (TWS) 10%

ORIGINAL March 18 ANNOUNCEMENT (10%)

- Three Month Period – March 18 to June 20, 2020
- Amount – 10% of remuneration, max \$1,375/employee, aggregate max \$25K per employer (associated CCPCs not required to share this cap)
- Payment Method – Must be calculated manually. Reduce payroll remittance by amount of subsidy (no need to apply)

ELIGIBILITY

- Individual (excl. trusts), partnership eligible individuals, CCPC (that is eligible for the small business deduction), Registered Charity, Non-Profit

- Pays remuneration to an Employee
- Existing Payroll Account on March 18, 2020
- CCPC only eligible if Taxable Capital in preceding year less than \$15M (associated group basis)
- Do NOT reduce CPP/EI Remittances or remittances to MRQ
- Subsidy is taxable income to the employer (but non-profits and charities!)
- Can't get it if business closed – must pay wages & salaries between March 18 and June 20, 2020

FEDERAL – CANADA EMERGENCY WAGE SUBSIDY (CEWS) 75%

NEW APRIL 1st ANNOUNCEMENT (75%)

- PERIOD: March 15th to June 6th
- Amount: is the greater of:
 - (i) 75% of the amount of remuneration paid, (up to a maximum benefit of \$847/week) ; and
 - (ii) lesser of: the amount of remuneration paid, up to a maximum benefit of \$847/week or 75% pre-crisis weekly remuneration
- PLUS Employer EI/CPP/QPP/QPLI for paid employees on leave
- Eligible remuneration: include salary, wages, and other remuneration and does not include severance pay, items such as stock option benefits or benefit for corporate vehicle.
- Payment Method: Pay employee, apply monthly, get direct deposit

ELIGIBILITY

- Businesses (Large to Small), Registered Charity, Non-Profit – Excludes public sector entities.
- No overall limit per employer.
- At least 15% (March) or 30% (April, May) drop in revenue compared to either same month in 2019, or average of January and February 2020.
- NFP & Charities to include most forms of revenue (excl non'-arm's length revenue) but they can decide if they want to include government grants in their calculation
- revenue from its business carried on in Canada earned from arm's-length sources
- using accrual method or the cash method of accounting, but not both
- exclude revenues from extraordinary items and amounts on account of capital

FEDERAL – CANADA EMERGENCY WAGE SUBSIDY (CEWS) 75%

QUALIFYING REVENUE TEST

- 15% or 30% drop in “qualifying revenue”

Eligible Periods	Qualifying Period	Required Reduction in Qualifying Revenue	Reference period for eligibility
Period 1	March 15 – April 11	15%	March 2020 over: (a) March 2019; or (b) Average of January & February 2020
Period 2	April 12 – May 9	30%	April 2020 over: (a) April 2019; or (b) Average of January & February 2020
Period 3	May 10 – June 6	30%	May 2020 over: (a) May 2019; or (b) Average of January & February 2020

- Legislation contemplates “prescribed period” that ends no later than Sept 30.

FEDERAL – CANADA EMERGENCY WAGE SUBSIDY (CEWS) 75%

RESTRICTIONS & LIMITATIONS

- Only employees who report to work in Canada
- Special rule applies to employees that do not deal at arm's length with the employer (limitation of 75% pre-crisis remuneration).
- Special rules address issues for corporate groups, non-arm's length entities and joint ventures.
- Application only requires employer to attest that they meet the revenue test, but ...
- Must designate person that has control or oversight of that taxpayer's finances (may result in personal liability)
- Must provide records on audit evidencing
 - Reduction in arm's-length revenues and
 - Actual payment to employee
- Employer expected where possible to maintain existing employees' pre-crisis remuneration.
- **Application Deadline – September 30, 2020**
- CRA Web Portal (MyBusiness Account).
- Subsidy is taxable income to the employer (but non-profits and charities!)
- Benefits from the 10% wage subsidy, and the Federal EI Work-Sharing Program generally reduce the amount available to be claimed under the Canada Emergency Wage Subsidy in that same period.
- Wage subsidy not available to remuneration paid in a week within 4-week period where employee eligible for "Canadian Emergency Response Benefit" (CERB)
- Penalty (50%) in addition to repayment will apply in cases of careless claims (gross negligence).
- 25% Anti-Avoidance Penalty for understating revenue
- Pay employer, remit tax deductions, then apply

FEDERAL – CANADA EMERGENCY RESPONSE BENEFIT (CERB)

- \$500/Week for up to 16 weeks
- Accepting applications start: April 6
- PERIOD: March 15 to October 3, 2020

CRITERIA

- 15 years & older
- 2019 Income includes at least \$5,000 from Self-Employment, Employment, EI, or Maternity/Adoption Leave
- Cease work for at least 14 consecutive days within 4 week period to which the benefit applies. For subsequent periods, they expect no employment income.
- **Can't receive Self-Employment, Employment, EI, or Maternity/Adoption Leave payment with respect to the 14 day period**
- Eligibility is not dependent on termination

WHO'S COVERED?

- Workers who stop working due to COVID-19 with no paid leave or other income support and have not voluntarily quit their job
- Sick, quarantined, or taking care of someone who has COVID-19
- Working parents who stay at home without pay because child sick or school/daycare closures
- Workers employed but not being paid because not sufficient work and employer asked them not to come to work
- Self-employed & wage earners who are not otherwise eligible for EI

DOCUMENTATION

- Eligibility verification can take place at a future date. Keep documentation where possible to prove eligibility.

FEDERAL – CANADA EMERGENCY RESPONSE BENEFIT (CERB)

CERB or EMPLOYMENT INSURANCE (EI)

- Entitled to CERB even if not entitled to EI
- ON EI: If receiving EI as of March 15 or after, don't apply for CERB; Applications to EI after March 15 will be directed to CERB
- NOT ON EI: If recently laid off or lost work (i.e. self-employed), apply for CERB (to ensure timely payment).
 - If you've applied for EI but application not processed, don't apply for EI again
 - If EI runs out before Oct 3, 2020, then entitled to CERB if unable to return to work due to COVID-19
 - If still laid off after 16-week CERB period and EI eligible, can apply for normal EI

CERB APPLICATION DEADLINE: DEC 2, 2020

APPLICATION PROCESS:

- Application process available early April 6th
 - CRA My Account, automated telephone line, toll free number
- First payment within 10 days after application
- Paid every four weeks.
- Period of coverage - March 15, 2020 to Oct 3, 2020

DOCUMENTATION

- Eligibility verification can take place at a future date. Keep documentation where possible to prove eligibility.

FEDERAL – EMPLOYMENT INSURANCE

EMPLOYMENT INSURANCE (Normal)

- Employed in “insurable employment”
- Lost job through no fault of your own
- Out of work and without pay for at least 7 consecutive days in the past 52 weeks
- Have worked required number of hours in past 52 weeks or since last EI claim (between 420–700 hours based on regional rate of unemployment)
- Ready, willing, and capable of working each day
- Actively looking for work (and must keep evidence of applications)

EMPLOYMENT INSURANCE (Sickness)

- Up to 15 weeks of 55% of earnings to max \$573/week
- Cannot work for medical reasons
- CHANGE: If sick, quarantined, or directed to self-isolate due to COVID-19, no medical certificate required for EI sickness benefits

FEDERAL – WORK SHARE PROGRAM

- Employees with similar job duties agree to reduce their hours of work over a specific period of time (e.g., reduction to 60%), and receives income support in respect of the decrease to their income (e.g., Work Sharing benefits for the loss of the 40%)

Benefit for Employer:

- Retain qualified and experienced workers
- Avoid recruiting and training new employees

Benefit for Employee:

- Keep their job
- Maintain their work skills

- **COVID-19 MEASURE:** Effective March 15, 2020 to March 14, 2021:

- Extension of the maximum possible duration of an agreement from 38 weeks to 76 weeks
- Eligible employers who have already used Work-Sharing Program may immediately enter into a new agreement

ELIGIBILITY

- Year-round business in Canada for at least 1 year
- Private or publicly held company
- At least 2 employees in work-sharing units

FEDERAL – CANADA SUMMER JOBS PROGRAM FOR STUDENTS

APRIL 8, 2020 Prime Minister's Announcement

- Canada summer jobs call for applications closed on February 28, 2020
- However, federal government will now work with Members of Parliament to identify organizations that provide essential services that did not apply, to see if they could be included
- Additional time will be provided to employers to adapt their projects and job descriptions to demonstrate that they "support essential services"
- In previous years, private and public sector employers were only eligible to receive a wage subsidy of up to 50%
- Federal government is now offering a **wage subsidy of up to 100%**
- More details to come

REDUCING WAGES/SALARY COSTS – EMPLOYMENT LAW CONSIDERATIONS

- Working remotely, reduction of working hours / pay, or temporary layoffs
 - Material changes to an employment agreement require employee consent
 - If material changes are without employee consent, employee could resign/refuse the change and claim they were constructively dismissed
 - Successful constructive dismissal claims by employees would trigger termination/severance entitlements
 - Avoid discrimination on the basis of human rights prohibited grounds (e.g. family status or age) when implementing changes to employment
- Terminations
 - Consider applicable employment standards, contractual provisions and common law notice/severance
- Quarantining employees, refusals to work and job-protected leaves of absence
 - Competing interests of health and safety and privacy

QUEBEC – ASSISTANCE FOR WORKERS

TEMPORARY AID FOR WORKERS PROGRAM (PATT)

- For workers (18 y/o +) who reside in Québec and are in isolation for the following reasons:
 - Have contracted the virus or present symptoms
 - Have been In contact with infected person
 - Have returned from abroad
- Eligible if have not received compensation from employer, not receiving leave payments, do not have private insurance and **not covered by another program (e.g. CERB, EI from the federal government)**.
- Up to \$573 per week for a period of 14 days of isolation. Could be extended to a maximum of 28 days.

Starting March 19, 2020 – **Ended April 10, 2020 @ 4 pm**

QUEBEC – INCENTIVE PROGRAM TO RETAIN ESSENTIAL WORKERS (IPREW)

- \$100/Week for up to 16 weeks
- PERIOD: March 15 to October 3, 2020
- APPLICATIONS: May 19 to Nov 15, 2020

CRITERIA

- 15 years & older on application date
- FT/PT work in Essential Service
- Gross wage of \$550 or less
- 2020 Annual employment income of at least \$5,000 but no more than \$28,600
- Resident of Quebec on Dec 31, 2019

RESTRICTIONS

- No CERB or PRATT for particular week
- Employer can receive CEWS

WHO'S COVERED? – Essential Service Workers

- Health & Social Services
- Public Security Services
- Government Services
- Maintenance/Operation of Strategic Infrastructure
- Priority Manufacturing
- Priority Commercial Enterprises
- Media & Telecommunications
- Banking & Financial Services
- Construction & Building Maintenance
- Transportation & Logistics

APPLICATION

- MRQ's My Account + Direct Deposit

QUEBEC – CONCERTED ACTIONS PROGRAM FOR JOB RETENTION (PACME)

- For businesses (all sectors) operating in Québec that have had their activities reduced as a result of COVID-19 and entities such as professional associations
- **Direct financial support for admissible training activities** for employee, including human resources training (reimbursement of admissible training expenses incurred)
- Admissible training activities include:
 - Francization
 - Basic training for employees
 - Training required by professional bodies
- Admissible training expenses include:
 - Salary of employee in training (excluding payroll taxes) for a max. of \$25 per hour
 - Professional fees of instructors
 - Material and supplies required for the course
- Reimbursement of admissible training expenses incurred:
 - 100% of expenses of \$100K or less
 - 50% of expenses between \$100K and \$500K
- For salaries specifically, reimbursement of:
 - 25% of the payroll of employees in training (max. \$25/hour/employee) if the business receives the Canada Emergency Wage Subsidy (75%);
 - 90% of the payroll employees in training (max. \$25/hour/employee) if the business receives the Canada Emergency Wage Subsidy (10%);
 - 100% of the payroll employees in training (max. \$25/hour/employee) if the business does not receive the Canada Emergency Wage Subsidy
- Program **ending on September 30, 2020** or when the \$100M budgetary envelope is exhausted

NOVA SCOTIA – ASSISTANCE FOR WORKERS

WORKER EMERGENCY BRIDGE FUND

- One-time Payment of \$1,000
- Workers (18 y/o +) who reside in Nova Scotia
- Annual Employment or Self-Employment Income of \$5,000 to \$34,000
- Laid-off on or after March 16, 2020
- Have applied for CERB

INELIGIBLE

- Cannot receive EI (or be eligible for EI), Income Assistance, or any income or benefit of any kind



Loans & Lending Support for Businesses

EY Canada

Updated: 10 April 2020

FEDERAL – CANADA EMERGENCY BUSINESS ACCOUNT (CEBA)

- 0% Interest Loan up to \$40,000
- No Principal Repayments due until December 31, 2022
- Interest-free (0%) Until December 31, 2022
- Repay by December 31, 2022 – 25% forgiveness (up to \$10,000)
- If not repaid, becomes 3-year term loan at 5% on January 1, 2023

ELIGIBILITY

- Business, NFP, Charity registered on or before March 1, 2020
- Must have existing CRA Business Number
- 2019 payroll between \$50,000 to \$1 million
- T2 or T3010 Corporation that generates revenue through sale of goods or services
- Cannot be owned by a government organization or body

FEDERAL – CANADA EMERGENCY BUSINESS ACCOUNT (CEBA)

RESTRICTIONS

- Funds must be used to pay non-deferrable operating expenses
 - Payroll, rent, utilities, insurance, property tax, and regularly scheduled debt service
- Funds may not be used to for any other purpose
 - ie. Prepayment/re-financing of existing indebtedness, payments of dividends, distributions, or increases in management compensation
- Borrower must certify intention to continue business or resume operations.

APPLICATION

- Apply at primary financial institution (bank or credit union)
- Must have an existing active business/operating account with that financial institution

FEDERAL – BUSINESS CREDIT AVAILABILITY PROGRAM (BCAP)

BUSINESS DEVELOPMENT BANK OF CANADA

CO-LENDING PROGRAM

- BDC partnering with financial institutions to co-lend term loans to businesses for their operational cash flow requirements
- Offered through Canadian lenders participating in the program
- Term loans up to \$6.25 million at commercial interest rate and up to 10-yr repayment period,
- Qualify through your financial institutions under a risk share agreement where 80% would be provided by BDC and 20% by the participating financial institution
- Small to medium sized companies

WORKING CAPITAL FINANCING PROGRAM

- Provide working capital loans up to \$2 million with flexible terms and payment postponements up to 6 months for qualifying business
- Offer reduced rates on new eligible loans
- Any Canadian business is eligible

FEDERAL – BUSINESS CREDIT AVAILABILITY PROGRAM (BCAP)

EXPORT DEVELOPMENT CANADA BCAP GUARANTEE

- EDC guarantees a new one-year term loan or operating line of credit for 80% of its value, up to \$6.25M (Fixed guarantee fee of 1.8% on loan amount)
- Allowing businesses to deal with payroll and operating cost issues and enabling their financial institution to take on less risk. Available for all Canadian companies including non-exporting businesses that sell domestically.
- Six – month fee payment deferral
- Apply through participating financial institution's normal due diligence and underwriting process.

FEDERAL – FARMERS, AGRI-BUSINESS, FOOD PROCESSORS

FARM CANADA CREDIT

- Additional \$5B in lending capacity, offering increased flexibility to farmers and food producers who face cash flow issues and to processors who are impacted by lost sales.
- Deferral of principal and interest payments up to 6 months for existing loans or a deferral of principal payments up to 12 months.
- Access up to an additional 24 months credit line up to \$500,000 at Prime + 1% and no fees
- Target companies: Food producers, agri-businesses, and food processors

QUEBEC – LOANS & LENDING SUPPORT

CONCERTED TEMPORARY ACTION PROGRAM FOR BUSINESSES (PACTE)

- Working Capital Loan from financial institution guaranteed by Investissement Québec
 - Direct loan from IQ also available
- **Minimum amount: \$50,000**
- **Any business** (other than bars, gambling, or tobacco), **cooperatives, and not-for-profits** operating in Québec in a precarious situation as a result of COVID-19.
- Must show cash flow issue is temporary and liquidity shortage stems from:
 - A problem involving the supply of raw materials or products
 - An inability to deliver products or services

EMERGENCY AID FOR SMALL AND MEDIUM BUSINESSES

- **Loan or Loan Guarantee up to \$50,000** from MRC or regional Fonds local d'investissement
- **Any business, social enterprise, cooperative, or not-for-profit engaged in commercial activities**
- In business for at least one year
- Must be closed, likely to close or show warning signs of closing
- Must be in a context of continuation, consolidation or relaunch of the activities of the business
- Must show that a cause and effect relationship between the financial or operational issues of the business and COVID-19

QUEBEC – LOANS & LENDING SUPPORT

CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC \$4 BILLION ENVELOPE

- Quebec companies
- To address liquidity needs of companies that meet certain criteria:
 - Having been profitable before the crisis;
 - Having a promising growth outlook in their sector;
 - Seeking financing of over \$5 million.
- Complementary to other programs announced by financial institutions and other investors.
- Applies to companies of all sizes and in all industries from across Québec
- Application form to be filled out on CDPQ website.

QUEBEC – LOANS & LENDING SUPPORT

FONDS LOCAL D'INVESTISSEMENT (FLI)

- Loan and warranties flexibility program
- Program offered up to December 31, 2022
- Six-month moratorium has been put in place for the repayment (principal and interest) of loans already granted through the FLI

OTHERS

- Loan flexibility if issued by PME MTL fund, Fonds Locaux de Solidarité, and Fonds de commercialisation des innovations
 - Automatic six-month moratorium on capital and interest.

CITY OF MONTREAL

- Emergency financial assistance of \$5 million by the City of Montréal
- The City of Montréal is placing \$5 million in an assistance fund for businesses to support targeted industries such as commerce, social economy and arts/creative industries.

NEW BRUNSWICK – LOANS & LENDING SUPPORT

- Working capital loans offered through Opportunities New Brunswick
- Loans up to \$100,000 to small businesses
- Larger loans available upon request up to \$1 million
- Company must be New Brunswick-based and have been in business for at least 24 months, and have financial statements to support the viability of the business before the COVID-19 crisis
- Target companies in manufacturing and processing industries, information technology and related sectors, business-to business service sectors engaged in export, or import replacement activities, and cultural enterprises
- Apply directly to Opportunities New Brunswick

NOVA SCOTIA – LOANS & LENDING SUPPORT

Small Business Impact Grant

- Eligible small businesses will receive a grant of 15% of their revenue from sales, either from April 2019 or February 2020, up to a maximum of \$5,000.
- On-Line Application
- **Application Deadline:** April 25, 2020

Small Business Loan Guarantee Program

- Existing Program delivered through Nova Scotia Credit Unions that provides loans up to \$500,000, with Nova Scotia government guaranteeing first \$100,000.
- **COVID-19 Measure** – Principal and interest payments on existing loans deferred until June 30.

PRINCE EDWARD ISLAND – LOANS & LENDING SUPPORT

EMERGENCY WORKING CAPITAL FINANCING

- Small business loan of up to \$100,000 at a fixed interest rate of 4%, with a 12-month deferral of principal and interest payments.

ELIGIBILITY

- All businesses resident in PEI, except start-ups
- Loans secured by:
 1. Promissory note
 2. Personal guarantees of the business owner(s)
 3. General security agreement
- Apply directly to Finance PEI

TERRITORIES – LOANS & LENDING SUPPORT

NORTHWEST TERRITORIES

- NWT Business Development Investment Corporation (BDIC) COVID-19 Economic Relief
- All business operating in NWT and offer through BDIC
- Loans of up to \$25,000 (or more if the need is clearly addressed) are being made available to qualified NWT-owned businesses at a rate of 1.75%.
- Loans will be amortized for up to five years with options for payment deferment for 3 months upon request.
- Principal postponement on existing loans for up to three months.

NUNAVUT

- Small Business Support Program
- Small business can apply for up to \$5,000 in the form of a non-repayable contribution
- Target Companies – All self-employed Nunavut residents and businesses majority-owned by Nunavut residents



Support for Individuals

EY Canada

Updated: 11 April 2020

FEDERAL – OTHER ASSISTANCE FOR INDIVIDUALS

CANADA CHILD BENEFIT

- One-time extra \$300/child payment in May 2020 for 2019-2020 Fiscal Year
 - Value: \$2 Billion

GST/HST CREDIT FOR LOW INCOME

- One Time EXTRA Payment to be issued on April 9, 2020
- Double annual entitlement
- Average Benefit – Close to \$400/individual, \$600/couple
 - Value: \$5.5 Billion

STUDENT & APPRENTICESHIP LOANS

- March 30 to Sept 30, 2020
 - No interest is payable on a federal guaranteed student loan, and
 - No principal or interest is required to be paid by the borrower

SENIORS & PENSIONERS

- RRIFs, Defined Contribution Registered Pension Plan, Pooled Registered Plans
 - Minimum Withdrawal requirement reduced by 25% for 2020 (Québec aussi)

PROVINCES – OTHER ASSISTANCE FOR INDIVIDUALS

BRITISH COLUMBIA

- Climate Action Tax Credit to low income British Columbians in July 2020
- Emergency benefit: one-time, tax-free, \$1,000 payment for B.C. residents whose ability to work has been affected due to COVID-19.

ALBERTA

- Alberta's emergency isolation support program – \$1,145 payment for workers required to self-isolate – is no longer available.

ONTARIO

- Doubling Guaranteed Annual Income System (GAINS) for 6 months (Apr 1 – Sep 30)
- One-time \$200 payment per child up to 12 years of age, and \$250 for those with special needs
- 6 month OSAP loan and interest accrual relief (in conjunction with federal government)
- MPAC assessments postponed.

OTHER ASSISTANCE FOR INDIVIDUALS

MORTGAGE PAYMENTS

- Six Major Chartered Banks
 - Case-by-Case payment deferral up to 6 months by individual request
 - Only for Customers in good standing
- CMHC & other mortgage insurers – Lenders may defer up to 6 monthly payments for impacted borrowers

RENTERS

- Provincial measures to ensure no eviction because of loss of employment or COVID-19 (various)

PRINCE EDWARD ISLAND

- COVID-19 Income Support Fund – \$750 one-time payment
 - Eligible if loss of job, lay off, loss of all revenue through self-employment or expiry of Employment Insurance benefits on or after March 13th and applying for EI or CERB
 - Can't have received Emergency Income Relief Fund for Self-Employed (program expired)
- Employee Gift Card Program - \$100 Sobeys Gift Card if received ROE between March 13 and April 15, 2020

NOVA SCOTIA

- Everyone on income assistance receives an additional \$50 starting March 20, 2020
-

OTHER QUEBEC ASSISTANCE FOR INDIVIDUALS

STUDENT LOANS

- April 1 to Sept 30, 2020
 - No interest is accrued, and
 - No principal or interest is required to be paid by the borrower
 - Do not need to apply for deferral - automatic

A MEASURE TO PROTECT RETIREES

- Registered retirement income fund (RRIF)
- Minimum Withdrawal requirement reduced by 25% for 2020

HYDRO-QUEBEC

- Suspends the application of charges for unpaid invoices for all customers and will not cut off power to anyone (individuals and businesses) for non-payment

DISCUSSION / QUESTIONS

- Please share any additional information or questions you may have. Together we are all much more knowledgeable and well informed.
- Please don't hesitate to speak up. With us all scattered across the continent working from our homes, we need to make an extra effort to connect.

FEEDBACK REQUEST

- Was this useful?
- What other topics would you like covered?

We would appreciate your feedback – Watch for email with presentation materials attached.

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