

## COVID-19

### ASSISTANCE OPTIONS AVAILABLE

(as of May 6, 2020)

**Changes since last version (Apr 29) highlighted in yellow**

#### Canada Emergency Student Benefit ("CESB")

- Students and recent graduates who have seen their education and job prospects hampered by the ongoing COVID-19 pandemic will soon be able to claim the new CESB as part of a \$9 billion package of new measures aimed at helping young people.
- The benefit will see eligible postsecondary students receive \$1,250 a month from May to August, and if you are taking care of someone else or have a disability, that amount increases to \$1,750 monthly.
- College and university students currently in school, planning to start in September, or who graduated in December 2019 are eligible.
- As well, working students earning less than \$1,000 per month can apply.

#### Canada Emergency Wage Subsidy ("CEWS") – 75% Wage Subsidy

Benefit:

- 75% wage subsidy on first \$58,700 of an employee's wage (providing up to \$847/week, for up to 12 weeks), retroactive to March 15.
- Direct payment to the employer.
- Employers who use this subsidy must do everything they can to supplement the remaining 25% of the wages.

Conditions to qualify:

- At least 15% drop in revenue in March and 30% for the following months against 2019.
- Under an alternative 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 this alternative approach when first applying for the CEWS and are required to use the same approach for the entire duration of the program.
- Wages paid to employees who are without remuneration by the employer for 14 or more consecutive days in the qualifying period will not qualify for CEWS.
- Available to "eligible employers" (definition differs from 10% Temporary Wage Subsidy) which includes self-employed individuals, corporations, partnerships, charities, and not-for-profits (trusts and publicly run facilities like hospitals and schools are excluded).
- No restrictions by size of employer or number of employees.
- Claim periods are:

- March 15 to April 11
- April 12 to May 9
- May 10 to June 6
- The Government expanded the CEWS by introducing a new 100% refund for certain employer-paid contributions to EI and CPP
- This 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.
- This 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.
- Amounts received from CEWS will not be counted towards revenue totals for the eligibility period (although CEWS will be treated as taxable income).

Process to qualify:

- Application to be via a CRA portal.
- Once an employer is found to be eligible for a specific period, the employer would automatically qualify for the next period.
- Will qualify even if having claimed for the 10% Temporary Wage Subsidy, but any amount received will be reduced from the 75% Canada Emergency Wage Subsidy.

### **Re-hiring**

- In order to make it more cost effective for employers to rehire workers, the Government is refunding employer contributions to Employment Insurance and the Canada Pension Plan.

### **Temporary Wage Subsidy (“TWS”) - 10% Wage Subsidy**

Benefit:

- 10% wage subsidy on employee wages paid from March 18 to June 19, 2020.
- Capped at \$1,375 per employee and \$25,000 per employer.

Conditions to qualify:

- No required drop in revenues
- Available to “eligible employers” (definition differs from 75% Canada Emergency Wage Subsidy), which includes self-employed individuals, corporations, partnerships, charities, and not-for-profits.
- The employer must be under a certain size to qualify.

Process to qualify:

- Claimed as a credit against monthly CRA payroll remittances

### **Canada Summer Jobs Program temporary changes**

- An increase to the wage subsidy, so that private and public sector employers can also receive up to 100% of the provincial or territorial minimum hourly wage for each employee. There is a proposed extension to the end date for employment to February 28, 2021, allow employers to hire staff on a part-time basis and allow employers to adapt their projects and activities to support essential services.

### **Canada Emergency Care Benefit (“CERB”) – EI coverage**

#### Benefit:

- \$2000 a month for up to 4 months for individuals that lose their income.
- Will be a direct payment to the individual.

#### Conditions to qualify:

- Available to employees, contractors, and self-employed that are sick, quarantined, taking care of someone sick, or at home taking care of kids.
- Also available if still working but not getting paid.
- Must have employment and/or self-employment income of at least \$5,000 in 2019 or in the 12 months prior to the date of application; and
- The \$5,000 includes all employment and self-employment income. This includes among others: tips declared as income; **non-eligible dividends**; honoraria (e.g., nominal amounts paid to emergency service volunteers); and royalties (e.g., paid to artists).

#### Process to qualify:

- Application via Service Canada/EI portal.

### **Extension of the EI work sharing program**

- Provides top-up EI benefits to employees who agree to reduce their normal working hours to share available work with other employees
- Program has been extended from 38 weeks to 76 weeks

### **Business Loans**

#### Canada Emergency Business Account – interest free loans

- Interest-free loans of up to \$40,000 to organizations with total a payroll of \$20,000 (was \$50,000) to \$1.5 million (was \$1 million) in 2019.
- Administered through your financial institution
- Up to \$10,000 of the loan will be eligible for complete forgiveness if the remainder is fully repaid on or before December 31, 2022.

Community Futures “Quick Loans”

- Limits raised to \$25,000 with flexible terms and interest rates.
- Administered through Community Futures
- To meet small business needs, particularly payroll.

**Extensions to CRA deadlines:**

- Personal Returns (T1)
  - Due date for filing extended to June 1, 2020.
  - Self-employed are unchanged at June 15, 2020
- Trust Returns (T3)
  - Due date for filing extended to May 1, 2020.
- Partnership Returns (T5013)
  - Due date for filing extended to May 1, 2020.
- Corporations (T2)
  - Due date for filing extended to June 1, 2020.
  - Applies to corporations that would otherwise have a filing due date after March 18 and before June 1, 2020.
- NR4 Information Returns
  - Due date for filing extended to May 1, 2020.
- Administrative Tax Filings (elections, designations, information requests)
  - If previously due after March 18, 2020, can be deferred to June 1, 2020.
- GST/HST
  - Due date for payment extended to June 30, 2020 for the following reporting periods:
    - Monthly filers – for February, March and April 2020 periods;
    - Quarterly filers – for Jan 1 to March 31, 2020 reporting period;
    - Annual filers – whose GST/HST return or instalments are due March, April or May 2020.
- Payroll remittances – Dues dates – unchanged
- Notice of Objections
  - If previously due after March 18 or later, can be deferred to June 30, 2020.
- Taxes and Installments
  - If previously due after March 18 or later, can be deferred to September 1, 2020
  - No interest or penalties on these amounts during this period

- Audits
  - CRA has ceased all audit activity until end of April.

**Extension to WorkSafeBC (“WCB”) deadlines:**

- Due date for filing and payment of Q1 2020 premiums extended to June 30, 2020.

**Canada Emergency Commercial Rent Assistance:**

- The government is offering qualifying commercial property owners’ forgivable loans through the Canada Mortgage and Housing Corporation (CMHC).
- Details: 75% rent reduction for eligible business tenants
- Property owners will in turn cover 25% of the rent
- Must agree to a moratorium on evictions
- Applies to April (retroactively), May, and June
- Eligibility: Small businesses, non-profits and charity organizations
- Available for tenants that pay less than \$50,000/month rent
- Have ceased operations or experienced at least 70% decrease in revenues
- Application: Landlords will be able to apply mid-May.
  
- Larger Businesses: More information on rent support for larger businesses to come soon.

**BC Hydro Relief Fund**

Residential customers:

- 3 months hydro bill credit based on average consumption.
- Available to those that lost employment or unable to work
- Expected to be available starting mid-April and remain open until June 30, 2020.

Small businesses:

- Hydro use charges waived for up to 3 months (April, May, & June)
- Available to small business that needed to close
- Expected to be available starting mid-April and remain open until June 30, 2020.

Major industries:

- like pulp and paper mills and mines, will have the opportunity to defer 50% of their bill payments for three months

1% decrease.

- BC Hydro rates will be reduced by 1% on April 1, 2020. This is the first rate decrease in decades

### **Fortis COVID 19 Customer Recovery Fund**

#### Residential customers

- If you've lost employment or have been unable to work due to COVID-19, you can have your FortisBC bills automatically deferred from April 1 to June 30, 2020. When you apply, you'll automatically be entered into an interest-free repayment plan, which can be spread out over the next 12 months.

#### For small businesses

- Businesses that remain open but have experienced losses due to COVID-19 can also apply to defer bill payments from April 1 to June 30, 2020. When you apply, you'll automatically be entered into a repayment plan that will be spread out over the next 12 months.
- Small businesses that have been forced to close due to COVID-19 can receive bill credits to offset any charges to your account while you're unable to continue operating your business as usual. This is similar to when businesses are closed due to natural disasters such as floods or wildfires.

### **Canada Mortgage and Housing Corporation (“CMHC”) Mortgage Deferrals**

- Defer mortgage payments on homeowner CMHC-insured mortgage loans.
- Administered through your lending institution

### **Other Federal Government Offerings**

- Additional One-Time GST Credit of up to \$580
- Additional Canada Child Benefit Amount of up to \$300 per child
- 25% reduction in RRIF Minimum Amount for 2020

### **BC Government Offerings**

#### Liability protection for essential services:

- Those providing essential services are ensured they cannot be held liable for damages caused by exposure to COVID-19 while continuing to operate, so long as they are complying with orders from the provincial health officer and other authorities.

#### Financial assistance for post-secondary students:

- Students attending BC public post-secondary institutions, who are experiencing emergency financial pressures, will benefit from a one-time investment of \$3.5 million in emergency financial assistance. Contact your school's financial aid office for more info.

Income assistance or disability assistance:

- The Province will temporarily exempt federal employment insurance benefits, including the new \$2,000 Canada Emergency Response Benefit (CERB).
  - Payments will be fully exempted for the next three months so people receiving income assistance and disability assistance in B.C. will benefit from these new emergency federal support programs, without any reductions to their monthly assistance payments.
  - On income assistance or disability assistance and not eligible for the emergency federal support programs, including the CERB, the Province will provide an automatic \$300-monthly COVID-19 crisis supplement for the next three months.

Temporary Rental Supplement

- Up to \$500 per month towards rent.
- Paid directly to landlords
- Available to renters experiencing a loss of income

Small Business Rent Relief

- Launching in mid-May 2020, a 75% reduction in monthly rent for small businesses affected by COVID-19 will be achieved by providing forgivable loans to cover 50% of the rent payments for eligible small business tenants for April, May and June.
- The loans will be forgiven if the landlord reduces the tenant's monthly rent by at least 75%. The commercial tenant would be responsible for covering 25%, the property owner 25%, while the federal and provincial governments share the remaining 50%.

Added security for renters

- Halt on existing eviction orders.
- Freeze on new annual rent increases.

BC Emergency Benefit for Workers

- **Benefit:** The BCEBW is a one-time, tax-free \$1,000 payment for British Columbians whose ability to work has been affected as a result of the COVID-19 pandemic.
- **Eligibility:** people must: have been a resident of BC on March 15, 2020;
- meet the eligibility requirements for the CERB;
- have been approved for the CERB, even if they have not received a benefit yet;
- be at least 15 years old on the date of application;
- have filed, or agree to file, a 2019 B.C. income tax return; and
- not be receiving provincial income assistance or disability assistance.
- Most people who are eligible for the new federal Canada Emergency Response Benefit (CERB) are also eligible for the BCEBW, including those who have run out of employment insurance (EI) benefits and subsequently qualify for the CERB.

#### Temporary Emergency Funding (TEF)

- TEF is available to licensed child care providers who have a 2020/21 funding agreement through the Child Care Operating Funding Program (CCOF). This funding is intended to help providers who are open continue to support essential service workers and families in their community and help those who need to temporarily close get back up and running when they are able.
- TEF is optional. Providers can choose to continue receiving CCOF Base Funding or temporarily replace it with TEF.

#### Forest sector – stumpage fee deferral

- Stumpage fees are being deferred for three months.
- The deferral with interest is available to Tree Farm License, Replaceable Forest License and First Nations' Woodlands License holders who are in good financial standing with the Province. They also must be following through on their reforestation obligations.

#### 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)
- People need to file their income taxes to be eligible for the B.C. Climate Action Tax Credit

#### Children with special needs

- For children and youth with special needs and their families. The fund will provide a direct payment of \$225 per month to eligible families over the next three months (to June 30, 2020).

#### BC Student loan payments frozen for 6 months

- Effective March 30, 2020. Repayments suspended until September 30, 2020. Interest will not accrue.

### Agriculture Specific Offerings

#### \$252 million in new federal assistance for Canadian farmers and others in the agri-food sector whose livelihoods have been impacted by the COVID-19 pandemic, to help redistribute food and better protect workers in processing plants:

- \$77.5 million to help food processors purchase protective equipment for workers, adapt to health protocols like physical distancing and expand domestic processing capacity to increase the amount of food made in Canada;
- \$125 million to help cattle and hog producers who are raising more animals than can currently be processed because of COVID-19 and as a result are seeing their costs increase because they are keeping these animals longer; and
- \$50 million on a food surplus purchasing program that will see the government buy large quantities of surplus products and redistribute them to areas where food insecurity is an issue, to avoid throwing out food and to allow the producers to still be compensated.



- In addition the government says it intends to increase the Canadian Dairy Commission's borrowing limit by \$200 million to cover costs related to having to store excess cheese and butter, though this initiative will need legislation to implement and talks are beginning with opposition parties on moving ahead with a new emergency aid bill to make that happen.
- The government says it is also working with provinces and territories to increase payments to producers who face revenue declines, up to 75 per cent from the current 50 per cent, as well as possibly expanding an insurance program to protect against lost production due to not having enough workers.

#### Farm Credit Corporation ("FCC")

- FCC may allow deferral of principal and interest payments for six months, or in some cases, deferral of principal payments for up to 12 months.
- FCC may providing access to an additional credit line of up to \$500,000, secured by general security agreements.

#### AgriStability Deadline Extension

- Due to current market disruptions, increased expenses and production challenges facing producers—the AgriStability enrolment deadline has been extended to July 3, 2020 to allow more producers to benefit from the program.

**Canada Revenue Agency – COVID-19 Webpage**

- CRA has created a webpage which summarizes and collects tax related information in respect of the government's COVID-19 response.
- <https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update.html>

**International**

- U.S. federal income tax filing due date extended from April 15, 2020 to July 15, 2020.