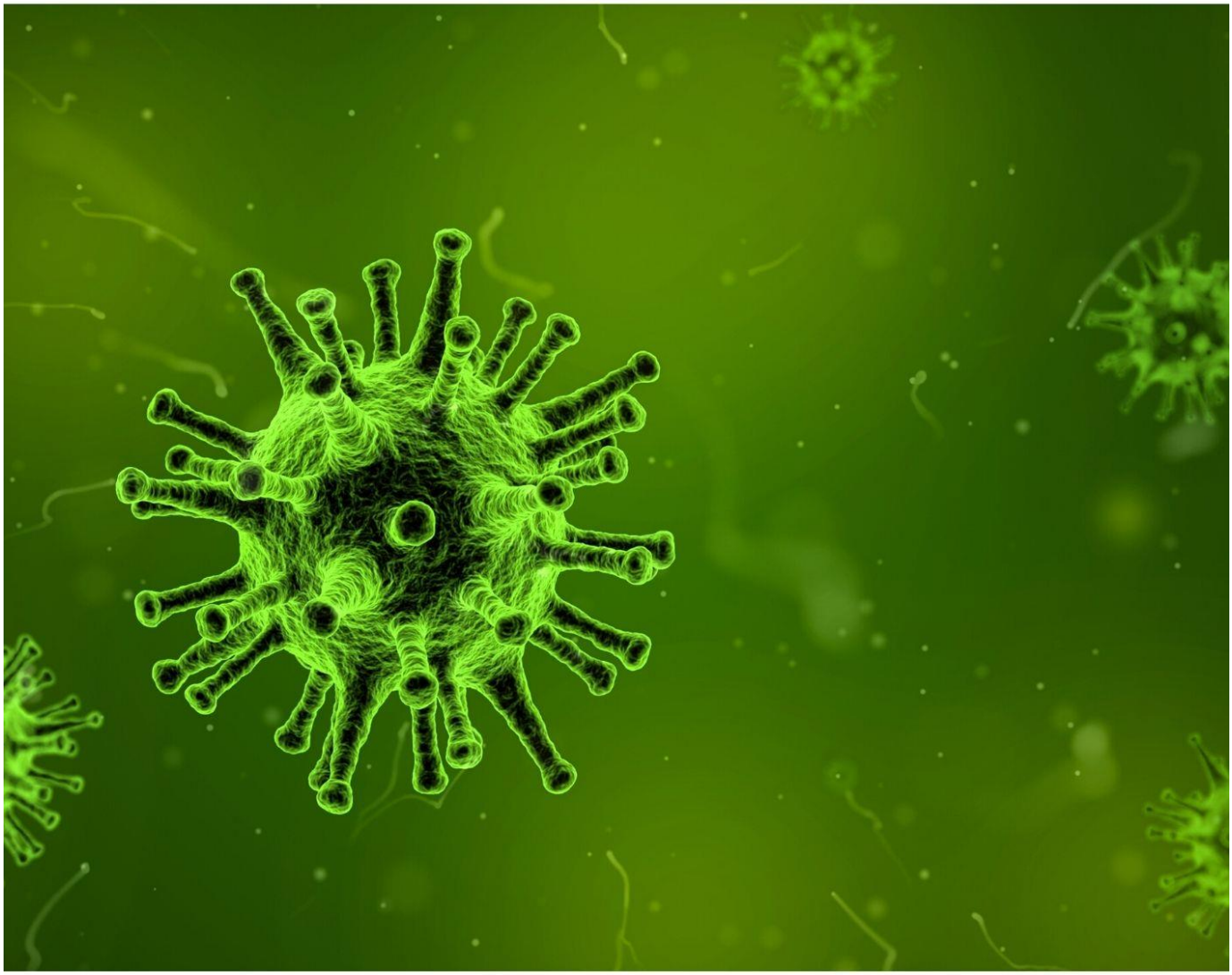
Latest information for

SUPPORT FOR ENTREPRENEURS AFFECTED BY THE CORONAVIRUS COVID-19

Brought to you by:

Andrea BAILEY BROWN



2020 | MARCH

Andrea BAILEY BROWN

Support for entrepreneurs affected by the coronavirus COVID-19

Effective March 18, 2020, new relief measures for qualified businesses include:

- Working capital loans of up to $2 million with flexible terms and payment postponements for up to 6 months for qualifying businesses;
- Postponement of payments for up to 6 months, free of charge, for existing BDC clients with total BDC loan commitment of $1 million or less;
- Reduced rates on new eligible loans;

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 holiday

- 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.

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

COVID-19 Continuity Plan

UNDERSTANDING THE CANADIAN WAGE SUBSIDY PROGRAM -FAQ

1. **How much is the subsidy?**

   The subsidy is equal to 10% of the remuneration paid to your staff between March 18, 2020 and June 20, 2020, up to **$1,375** per employee and **$25,000 per employer**.

   For example if you have 6 employees, the maximum subsidy you can receive is $8250 ($1375 x 6 employees), even though the per employer maximum is $25,000

2. **How do I receive the subsidy?**

   You'll have to manually calculate your subsidy, and reduce your current remittance of federal, provincial, or territorial income tax that you would normally pay to the CRA. Talk to your accountant or payroll specialist to help set this up.

3. **What remittance does this apply to?**

Only your income tax — CPP and EI deductions **cannot** be included in the calculation of the subsidy. You need to pay those as usual.

3. **When does this become official?**

You can start reducing remittances of federal, provincial, or territorial income tax paid between March 18, 2020 and June 20, 2020.

4. **Which employers are eligible?**

You are an eligible employer if you are a non-profit organization, a registered charity or a Canadian controlled private corporation.

You are eligible if you have an existing business number and payroll program account with the CRA.

You are also eligible if you pay salary, wages, bonuses or other remuneration to an employee.

5. **What if my business closed?**

If you did not pay salary, wages, bonuses or other remuneration to an employee between March 18, 2020 and June 20, 2020, you **cannot** receive the subsidy, even if you are an eligible employer.