

# Summary of COVID-19 Government of Canada Support Measures

The following is a summary of the support measures the Government of Canada has recently released to assist businesses and individuals in dealing with the COVID-19 pandemic. Details on the programs and links to government websites follow the summary:

## Current Programs for Individuals

Canada Recovery Benefit \$1,000 / two weeks for workers directly affected by COVID-19

Canada Recovery Sickness Benefit \$500 per week for people sick or isolating

## Current Programs for Businesses

Canada Emergency Wage Program – wage subsidy for employers with revenue drop

Canada Emergency Business Account - \$60,000 line of credit with forgivable portion

Canada Emergency Rent Subsidy – direct funding to tenants with revenue drop

## Past Programs for Individuals

Enhanced GST and Child Tax Benefits

Extension of the personal tax filing deadline to June 1 and payment deadline to September 1st

Canadian Emergency Response Benefit - \$2,000 per month for qualifying individuals

Most banks are offering mortgage deferrals (not administered through CRA)

RRIF minimum withdrawals have been reduced by 25%

## Past Programs for Businesses

Extension of corporate tax filing deadlines due after March 18th to June 1st

Deferral of corporate income taxes payable after March 18, 2020 to September 1, 2020

Deferral of corporate income tax installments payable after March 18th to September 1st

Deferral of HST payable due after March 18, 2020 to June 30, 2020

Canada Emergency Commercial Rent Assistance

### **Canada Recovery Benefit**

The Canada Recovery Benefit (CRB) replaces the Canada Emergency Response Benefit (CERB). The CRB gives income support to employed or self-employed individuals who are directly affected by COVID-19. It provides \$1,000 (\$900 after tax withheld) for a two week period.

Eligibility is available to those who were not employed or self-employed for reasons related to COVID-19 or had a 50% reduction in their average weekly income and are not eligible for EI benefits.

### **Canada Recovery Sickness Benefit**

The Canada Recovery Sickness Benefit provides income support of \$500 per week (\$450 after tax withheld) for individuals who are unable to work at least 50% of their scheduled workweek because they are self-isolating due to illness or exposure to COVID-19 and do not qualify for EI.

### **Canada Recovery Caregiver Credit**

The Canada Recovery Caregiver Credit provides income support of \$500 per week (\$450 after tax withheld) for individuals who are unable to work because they must care for their child under 12 years old or a family member who needs supervised care.

### **Canada Emergency Wage Subsidy**

This Canada Emergency Wage Subsidy is available to Canadian employers who have seen a drop in revenue due to the COVID-19 pandemic. This program has undergone several changes since its introduction and has been extended until June 2021.

Prior to July 5th, 2020, there was a requirement to have a 30% revenue drop to qualify for the subsidy, however, the minimum revenue drop was removed for periods after July 5th. The benefit is calculated by the formula based on the revenue drop and your remuneration. There are several

methods in determining the revenue drop; cash vs. accrual or prior-year month vs. Jan/Feb 2020 average. The difference approaches may affect the outcome.

### **Canada Emergency Business Account (CEBA)**

The Canada Emergency Business Account is a \$60,000 loan with \$20,000 forgivable if certain conditions are met.

Eligible business criteria have changed since the program originated, which was initially only available to employers. Self-employed individuals and businesses without wages now qualify if there are certain non-deferrable expenditures.