



Support for Employers:

Temporary Wage Subsidies for Business

Canadian-controlled private corporations eligible to claim the small business deduction, non-profit organizations and registered charities will be eligible for a wage subsidy. The subsidy will be equal to 10% of the remuneration payable during an as-yet unidentified three-month period, to a maximum of \$1,375 per employee or \$25,000 per employer. In order to permit eligible employers to benefit from this subsidy before enabling legislation is enacted, the CRA will reduce remittances of income tax from employees' payroll withholdings.

The subsidy must be calculated manually.

For example, if you have 5 employees earning monthly salaries of \$4,100 for a total monthly payroll of \$20,500, the subsidy would be 10% of \$20,500, or \$2,050.

Once you have calculated your subsidy, you can reduce your current 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 Canada Pension Plan contributions or Employment Insurance premiums.

For example, if you calculated a subsidy of \$2,050, you would reduce your current remittance of federal, provincial, or territorial income tax by \$2,050. You could continue reducing future income tax remittances, up to the maximum of \$25,000, for all remuneration paid before June 20, 2020.

If the income taxes you deduct are not enough to offset the value of the subsidy in a specific period, you can reduce future remittances to benefit from the subsidy. This includes reducing remittances that may fall outside of the application period for the wage subsidy (after June 20, 2020).

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

- the total remuneration paid between March 18, 2020, and June 20, 2020;
- the federal, provincial, or territorial income tax that was deducted from that remuneration; and
- the number of employees paid in that period.

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

<https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update/frequently-asked-questions-wage-subsidy-small-businesses.html>



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.

<https://www.alberta.ca/covid-19-support-for-employers.aspx>

Tax-Filing & Payment Deadlines

Businesses:

- Federal - the deadline for businesses to pay any income tax amounts that become owing or due after March 18, 2020 and before September 1, 2020 has been extended to September 1, 2020. This means you will not be assessed any penalties or interest if your balance due is paid by September 1, 2020.
- Provincial - Alberta corporate tax payments and instalments have been deferred to August 31, 2020.

Trusts: For trusts with a taxation year end of December 31, 2019, the filing due date of March 31, 2020, will be deferred to May 1, 2020. Furthermore, all trusts that have an upcoming income tax balance due date or an income tax instalment payment due date before September 1, 2020, will have their payment due date effectively extended to September 1, 2020.

Penalty and interest implications for upcoming trust tax obligations not covered by the relief described above will be considered by the CRA on a case-by-case basis.

Charities: The Charities Directorate 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. The Charities Directorate has suspended all operations until further notice. All Charities are encouraged to file the T3010 through online business services using “My Business Account” or having an authorized representative file using “Represent a client”.



Banks & Credit Unions

ATB Financial:

- Small business customers, in addition to payment deferrals on loans and lines of credit, will be provided access to additional working capital.
- For other business and agriculture customers, ATB will work with customers on a one-on-one basis and further solutions are being considered at this time.
- For more information on ATB's relief program, please visit their website.

Alberta Credit Unions:

- Credit union members will have access to a variety of programs and solutions designed to ease difficulties with loan payments and short-term cash flow.
- Both individual and business members are encouraged to proactively contact their credit union directly to work out a plan for their personal situation.

Workers Compensation Board (WCB) Payment Deferral

The Government of Alberta has recently announced new measures to provide financial support to help employers through the challenges of the global COVID-19 pandemic.

These measures include a deferral of 2020 WCB premium payments for all private sector employers until 2021. When invoicing resumes in 2021, small and medium-sized employers (those with \$10 million or less in insurable earnings) will only be required to pay 50 per cent of their 2020 premiums – the other 50 per cent will be paid by the Government of Alberta.

More details can be found on the employer fact sheet link:

https://www.wcb.ab.ca/assets/pdfs/employers/EFS_Premium_relief.pdf



Support for Employees:

Emergency Care Benefit

This benefit is for workers (including the self-employed) who do not qualify for EI sickness benefits, do not have paid sick leave and who are sick or quarantined as a result of COVID-19, are taking care of a family member who is sick with COVID-19, and parents with children who require care or supervision due to school closures and are unable to earn employment income. The federal government anticipates this application will be open in April. The Benefit will provide up to \$900 every two weeks for up to 15 weeks.

Application for the benefit will be available in April 2020 and require Canadians to attest that they meet the eligibility requirements. They will need to re-attest every two weeks to reconfirm their eligibility. Canadians will select one of three channels to apply for the Benefit:

- by accessing it on their CRA MyAccount secure portal;
- by accessing it from their secure My Service Canada Account; or
- by calling a toll-free number equipped with an automated application process.

Alberta Financial Relief Benefit – intended to bridge the gap to the Federal Emergency Care Benefit

Albertans who are eligible for the province's COVID-19 emergency income support program can now apply to receive deposits as early as the middle of next week. The assistance is a one-time payment of \$1,142, and unlike federal Employment Insurance it only needs to be applied for once. To sign up for the benefit, Albertans need to go to the online Service Alberta portal and create a [MyAlberta online ID](#) if they haven't already.

The provincial benefit ends April 1, when the federal emergency care benefit — totaling \$900 bi-weekly — goes into effect. This needs to be applied for separately and will be delivered through the [Canada Revenue Agency](#), not the EI program.

Who is eligible?

- Business owners and those who are self-employed who need to enter self-isolation before April 1 can apply for the provincial benefit.
- Employees who do not have access to paid sick leave through their employer are eligible to apply for [federal employment insurance](#) now.
- Essentially, you only qualify for the provincial benefit if you do not qualify for EI.



Who is not eligible?

- Albertans who have been told to self-isolate by 811 and have recently been fired or laid off are not necessarily eligible for provincial assistance.
- However, recent changes to the Employment Standards Code mean that technically employers cannot fire or lay off employees who are in self-isolation, said Brittany Baltimore, press secretary to Labour Minister Jason Copping. Job-protected leave for 14 days — up from 5 days — was introduced this week by the provincial government.

The changes, retroactive to March 5, mean that employees are entitled to job protection even if they have not been employed for 90 days by the same employer, and they do not need a doctor's note. This program is expected to be available the week of March 24th.

Expanded Employment Insurance (EI) Work Sharing (WS) Program

As was previously announced, the federal government has announced temporary changes to the EI Work Sharing Program, which provides EI benefits to workers who agree to reduce their normal hours as a result of developments beyond the control of employers. The agreements have been extended up to a maximum of 76 weeks, the eligibility requirements have been eased, and the application process has been streamlined.

Temporary special measures are effective March 15, 2020 to March 14, 2021.

Eligibility:

Employers

To be eligible for a WS agreement, your business must:

- be experiencing a recent decline in business activity of at least 10%
- be experiencing a recent decline in business activity **directly or indirectly** related to the impact of COVID-19, the downturn in the forestry and steel and aluminum sectors demonstrate that the shortage of work is temporary, beyond your control and not a cyclical/recurring slowdown
- demonstrate that the shortage of work is temporary, beyond your control and not a cyclical/recurring slowdown
- be a year-round business in Canada for at least two years
- be a private business, a publicly held company or a not-for-profit organization
- have at least two employees in the WS unit
- be willing to implement a recovery plan to support the on-going operations and viability of the business



Employees

To be eligible for WS, your employees must:

- be year-round, permanent, full-time or part-time employees needed to carry out the day-to-day functions of the business (your "core staff")
- be eligible to receive EI benefits
- agree to reduce their normal working hours by the same percentage and to share the available work

Who cannot apply?

Employers

Your business is not eligible for WS if:

- it is experiencing a reduction in business activity due to:
 - a labour dispute
 - a seasonal shortage of work
 - a pre-existing and/or recurring production slowdown
 - the decrease in business activity is due to a recent increase in the size of the workforce

Employees

Employees that are not eligible include:

- seasonal employees and students hired for the summer or a co-op term
- employees hired on a casual or on-call basis, or through a temporary help agency
- employees who are needed to help generate work and/or who are essential to the recovery of the business (for example, senior management, executive-level marketing/sales agents, outside sales representatives, technical employees engaged in product development, etc.)
- employees who hold more than 40% of the voting shares in the business

How to Apply:

You must complete the following documents

1. EMP 5100 - Application for a Work-Sharing Agreement
2. EMP 5101 - Attachment A: Work-Sharing Unit Attachment - signed by each employee (for non - union agreements) or by a union representative
3. EMP 5105 – Attachment B: Recovery Plan for special measures
4. Sales and/or production figures for the last two years



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Submit your completed application containing all four documents at least **30 days** before the requested start date. Please note that all agreements must begin on a Sunday.

Applications can be sent to Service Canada by mail. You will be informed in writing to acknowledge receipt of your application. **You be able to fax the information to 1-604-666-8920**

You may have to provide additional documents to help verify the information provided in your application.

Here is the link that explains everything about work sharing, including some instructions for filling out the work-sharing application forms:

<https://www.canada.ca/en/employment-social-development/services/work-sharing/guide-applicant.html>

Record of Employment (ROE)

A ROE is required to apply for EI benefits. When identifying the reason for issuing the ROE only use the following options for Box 16 “reason for issuing this ROE”

- D – sick or quarantined
- A – shortage of work
- N – Personal leave (employee chooses to stay home)
- E – quit (be aware employee won’t be eligible for EI if you use this option)

****Do not put any “extra” information (for example explaining that the ROE is due to COVID), this will just slow down the process and the ROE will take longer to get approved by CRA.**

Tax-Filing & Payment Deadlines

Individuals: The deadline to file your income tax and benefit return will be deferred until June 1, 2020. The deadline to pay any balance due for your individual income tax and benefit return for 2019 has been extended from April 30, 2020, to September 1, 2020. This means you will not be assessed any penalties or interest if your balance due is paid by September 1, 2020.

Self-employed and their spouse or common law partner: For self-employed individuals or those who have spouses or common-law partners that are self-employed, the deadline to pay any balance due for your individual income tax and benefit return has been extended from April 30, 2020, to September 1, 2020.



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Student Loans Repayment Holiday

The government will implement a six-month, interest-free moratorium on Alberta student loan payments for all individuals who are in the process of repaying these loans.

Banks & Other Credit Unions

ATB Financial:

- Personal banking customers can apply for a deferral on their ATB loans, lines of credit, and mortgages for up to six months.
- For other business and agriculture customers, ATB will work with customers on a one-on-one basis and further solutions are being considered at this time.
- For more information on ATB's relief program, please visit their website.

Alberta Credit Unions:

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Government Proposals *follow up on when more information is released*

Canada Child Benefit Payment Amounts

The Government is **proposing** to increase the maximum annual CCB payment amounts, only for the 2019-20 benefit year, by \$300 per child. The overall increase for families receiving CCB will be approximately \$550 on average; these families will receive an extra \$300 per child as part of their May payment. In total, this measure will deliver almost \$2 billion in extra support.

Registered Retirement Income Funds

To ensure that certain groups who may be vulnerable to the impacts of COVID-19 have the support they need, the Government is **proposing** targeted help by reducing required minimum withdrawals from Registered Retirement Income Funds (RRIFs) by 25% for 2020, in recognition of volatile market conditions and their impact on many seniors' retirement savings.

This will provide flexibility to seniors that are concerned that they may be required to liquidate their RRIF assets to meet minimum withdrawal requirements. Similar rules would apply to individuals receiving variable benefit payments under a defined contribution Registered Pension Plan.

Goods and Services Tax Credit Payment Amounts

The Government is **proposing** to provide a one-time special payment by early May 2020 through the GSTC. This will double the maximum annual GSTC payment amounts for the 2019-20 benefit year. The average boost to income for those benefitting from this measure will be close to \$400 for single individuals and close to \$600 for couples. This measure will inject \$5.5 billion into the economy.

<https://www.canada.ca/en/revenue-agency/campaigns/covid-19-update.html>