



18 Regan Road, Suite 34, Brampton, ON L7A 1C2
t 905-453-0844 f 905-453-1530 kenbell.ca

Tax resources & Info to help during COVID-19 pandemic

Below is a quick summary of opportunities that may be available to you. If you have any questions about anything below, please contact us.

BUSINESSES

1. Delay paying **income tax** to August 31 - included balance due and instalments
2. Delay paying **GST/HST** and **customs duty payments** to June 30 (including monthly filers). This includes installments for annual filers, and balances due for all other filers.
3. Deadline extensions to May 1, 2020 for **T3, T5013 and NR4**
4. **WSIB** premiums and filings between Apr 1 and Aug 31 will have no interest or penalties if late
5. Exemption from EHT increased from \$490,000 to \$1Mil for 2020 (reverts back for 2021)
6. ***Small and Medium-sized Enterprise Loan and Guarantee Program***
Loans through eligible financial institutions to provide interest-free loans to small businesses through their existing bank.
7. ***Canada Emergency Business account***
Interest-free loans to small businesses (guaranteed and funded by Canada) – through existing bank. Loan available – up to \$40,000 with possible gift of \$10,000 (repay only \$30,000). To qualify, these organizations will need to demonstrate they paid between \$50,000 to \$1 million in total payroll in 2019. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 25 percent (up to \$10,000).
8. BDC funding available for **small business loans** (see "[Business Credit Availability Program](#)").
9. Temporary **wage subsidy** of 10% of remuneration to a max \$1,375/employee (can be deducted from withholding tax payments on next payroll remittance).
10. Additional temporary **wage subsidy** of up to 75% of wages up to \$58,700/year **IF** Revenue in the business has dropped > 30%. Results in payment of up to \$847/week. Details of how to apply will be coming shortly.
11. **Electricity rates** to be at off-peak price 24/7.

TRUSTS

1. For Dec 31, 2019 year-end trusts there is an extension to file to May 1, 2020.

INDIVIDUALS

All

1. Deadline for **filing T1** extended to June 1. Tax payments due August 31.
2. **Mortgage deferral** program – see below (Note 1)
3. The Ontario government [announced](#) on March 19 that it would be **extending validation periods for driver, vehicle and carrier products, services and health cards**. The new deadline for renewal has not been announced.
4. Double the maximum annual **GSTC** payment amounts for the 2019-20 benefit year.
5. **Canada Emergency Response Benefit** (CERB), which offers income support for up to 16 weeks to those who lose their jobs, get sick, go into quarantine or have to stay home because of school closures. The benefit amounts to about \$2,000 a month. The government has said an application portal run by the Canada Revenue Agency will be set up in early April and that payments should flow about 10 days later. Those who are eligible for EI and sickness benefits will get CERB benefits first. They can then get EI if they're still unemployed after the 16-week period covered by the CERB. Canadians already receiving employment insurance (EI) regular benefits and sickness benefits will continue to receive those benefits and should not apply to the CERB.
6. City of Brampton (and several other municipalities) extending **property tax** payment deadlines and/or waiving interest and late fees. Check your municipality's website for details.
7. **Electricity rates** to be at off-peak price 24/7.

Employees

1. One week **EI waiting period** for individuals has been waived in imposed quarantine that claim EI SICKNESS benefits AND need for a medical certificate has been waived.

Self-employed

1. **Tax-filing deadline** for self-employed individuals remains unchanged at June 15, 2020.

Retired People

1. Ontario **Guaranteed Annual income** amount doubled for Apr 1 – Sept 30.
2. 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.

Families

1. To help with day-care a **one-time payment** of \$200 per child (up to age 12).
2. A temporary boost to **Canada Child Benefit** payments of \$300 per child to be included in your May payment.

NOTES

1. Mortgage Deferrals: Canada's six largest banks [will allow](#) mortgage deferrals for up to six months, assessed on a case-by-case basis. They will also temporarily limit operating hours and close some branches. In order to determine if they are eligible to skip a mortgage, individuals/companies should contact their bank. Resources for each bank can be found below:

- [RBC](#) is directing clients to its [Skip-a-Payment](#) option, and has [indicated](#) more information will follow.
- [TD](#) has a pre-existing [Flexible Mortgage Payment Feature](#) in place.
- [BMO](#) has instituted a [Financial Relief Program](#) for clients and small businesses that are experiencing financial hardship. Individuals are encouraged to call 1-877-788-1923 for assistance.
- [Scotiabank](#) has consolidated its COVID-19 response policies into one [website](#). Support is available for both personal banking needs at [Scotia OnLine](#), on the Scotia mobile banking app and at 1-800-4-SCOTIA, and for Scotia iTRADE needs at the [How-to Page](#), or clients can email service@scotiaittrade.com, or call 1-888-TRADE88.
- [CIBC](#) is directing clients to call their CIBC Advisor or to call 1-877-454-9030 to discuss options. Updates will be posted [here](#).
- [National Bank](#) is directing clients to send a secure message by signing into their [online bank](#) and to consult their [demos](#) and other resources in the [National Bank app](#). All updates will be posted to their [Important Notices Page](#).

References and Credits

<https://www.osler.com/en/blogs/risk/march-2020/canadian-federal-and-provincial-government-relief-and-other-initiatives-in-response-to-covid-19-rele>

https://www.canada.ca/en/department-finance/news/2020/03/canadas-covid-19-economic-response-plan-support-for-canadians-and-businesses.html#Mortgage_Default_Management

<https://rsmcanada.com/our-insights/tax-alerts/tax-updates-in-canada-in-response-to-covid-19.html>

How business owners can help weather the fallout of COVID -19

<https://rsmcanada.com/our-insights/coronavirus-resource-center/how-business-owners-can-help-weather-the-fallout-of-covid-19.html>

<https://www.canada.ca/en/services/business/maintaingrowimprovebusiness/resources-for-canadian-businesses.html>

Chamber of Commerce – Contingency Plans

<http://www.chamber.ca/resources/pandemic-preparedness/>

CFIB – Small Business Centre

<https://www.cfib-fcei.ca/en/small-business-resources-dealing-covid-19>

Loans for Small Businesses

<https://www.canada.ca/en/department-finance/news/2020/03/additional-support-for-canadian-businesses-from-the-economic-impact-of-covid-19.html>