

#PLANKTHECURVE IS WORKING.
BUT WE CAN'T GIVE UP.

**Maintain physical
distancing to help
our community.**



Coronavirus Hotline

1-833-784-4397

24/7 emergency watch and response
number (and Global Affairs)

1-613-996-8885

Business Development
Bank of Canada (BDC)

1-877-232-2269

Employment Insurance

1-833-381-2725

International Trade

1-888-220-0047

**To reach
public health
authority,
please call:**

New Brunswick
811

Nova Scotia
811

British Columbia
811

Prince Edward Island
811

Alberta
811

Newfoundland
and Labrador
811

Saskatchewan
811

or
1-888-709-2929

Manitoba
1-888-315-9257

Nunavut
867-975-5772

Ontario
1-866-797-0000

Northwest Territories
811

Quebec
1-877-644-4545

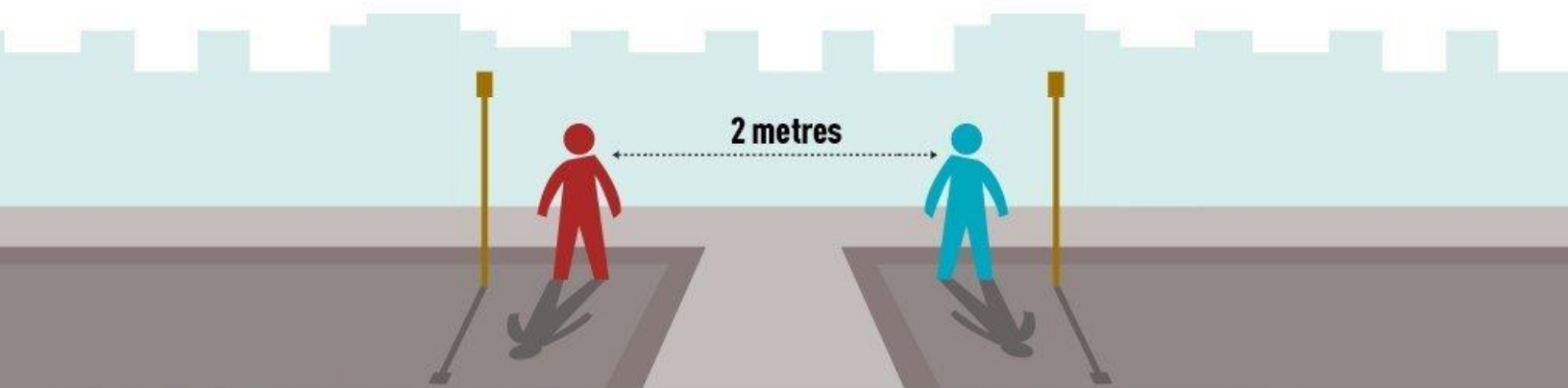
Yukon Territory
811

Information Package

COVID-19

Prepared by the Office of The Hon. Yonah Martin (Update: February 1, 2021)

Help reduce the spread of COVID-19
#SocialDistancing



[CANADA.CA/CORONAVIRUS](https://canada.ca/coronavirus)

Canada

Table of Contents

COVID-19 Health Information	3
Emergency Assistance for Canadians Abroad	3
Frequently Asked Questions (Immigration and Citizenship)	4
❖ Canada Recovery Benefit (CRB).....	5
❖ Canada Recovery Sickness Benefit (CRSB).....	11
❖ Canada Recovery Caregiver Benefit (CRCB)	14
❖ Changes to Employment Insurance (EI)	18
❖ Canada Emergency Response Benefit (CERB).....	23
❖ Temporary salary top-up for low-income essential workers	24
❖ Claim a deduction for home office expenses for 2020 tax year	25
❖ Mortgage Support	26
❖ Support for Seniors.....	27
Financial Support for Businesses	27
❖ Canada Emergency Rent Subsidy (CERS)	28
❖ Canada Emergency Business Account (CEBA)	36
❖ Small and Medium-sized Enterprise Loan and Guarantee	40
❖ Business Credit Availability Program (BCAP).....	41
❖ Highly Affected Sectors Credit Availability Program (HASCAP)	41
❖ Export Development Canada support	42
❖ Large Employer Emergency Financing Facility (LEEFF).....	42
❖ The Canada Emergency Wage Subsidy (CEWS)	43
❖ Work-Sharing Program.....	47
❖ Flexibility for Businesses and Charities Filing Taxes	48
❖ Additional Links for Employers.....	50
Financial Support for Sectors	50
❖ Cultural, heritage and sports	50
❖ Agriculture, agri-food, aquaculture, fisheries	50
❖ Non-Profit and Charitable	51

COVID-19 Health Information

For immediate assistance regarding COVID-19 and any questions you may have please contact:

- Phone: 1-833-784-4397
Interpretation services are available in multiple languages for those who do not speak English or French
- Email: phac.info.aspc@canada.ca
- Generic Government of Canada Phone: 1-800-O-Canada (622-6232)

Health Canada: <https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>

World Health Organization: <https://www.who.int/news-room/q-a-detail/q-a-coronaviruses>

COVID-19 Self-Assessment tool:

<https://ca.thrive.health/covid19/en>

Suppliers who can supply or donate medical products:

Submission form: <https://buyandsell.gc.ca/calling-all-suppliers-help-canada-combat-covid-19>.

For general inquiries about the licensing or authorization of medical devices in Canada:

Contact the Medical Devices Directorate at 613-957-7285 or

hc.meddevices-instrumentsmed.sc@canada.ca.

Emergency Assistance for Canadians Abroad

- **Global affairs emergency assistance**
 - <https://travel.gc.ca/assistance/emergency-assistance>
 - **All Canadians abroad must register online with Global Affairs Canada:**
 - <https://travel.gc.ca/travelling/registration>
- AND**
- Email 24/7 Emergency Watch and Response Centre in Ottawa at sos@international.gc.ca or call +1 613-996-8885 (collect calls are accepted where possible)

***MANDATORY* All travellers returning to Canada must self-isolate for 14 days. Penalties for violating this under the Quarantine Act include fines and criminal sanctions have been in effect since March 24, 2020.**

Currently, the government is not planning any additional government-facilitated flights to repatriate Canadians.

As commercial options are becoming more and more available, the government is advising Canadians and permanent residents outside Canada who are unable to return to Canada to monitor local media and follow the advice of local public health officials about COVID.

There is a loan program set-up of up to \$5,000 per person to assist Canadians who need to either book an emergency flight or extend their stay abroad. You will only be able to complete a Loan Request Form after corresponding with representative of Global Affairs Canada having directed you to this form. Eligibility is restricted to Canadian citizens.

If you have not been directed to this form by a representative of Global Affairs Canada, your loan request will not be processed as you will not have a case number. This is necessary to ensure that these loans reach those they are targeted to help.

The loan will be repaid to the Receiver General of Canada within 180 days of receipt of invoice. No interest shall apply. If the individual fails to repay this amount, money may be deducted from any money that may be owing to the borrower by the Government of Canada.

- For financial assistance, Canadians abroad can email:
CAN.finances.CV19@international.gc.ca

Frequently Asked Questions (Immigration and Citizenship)

In light of COVID-19, IRCC has cancelled all-citizenship tests, and itinerant service trips until further notice. Some citizenship ceremonies are now taking place by video oath by invitation only.

Disruptions include visa application centre closures, travel plan disruptions, and limited access to local government offices and businesses

<https://www.canada.ca/en/immigration-refugees-citizenship/services/coronavirus-special-measures.html>

I have been approved for permanent residence, but I can't travel to Canada to complete my application. What do I do?
You can notify the government via the web form https://www.cic.gc.ca/english/contacts/web-form.asp to explain why you were unable to travel. Landing appointments will be held via telephone, instead of in person. If you already had your appointment booked, you will be contacted via email to set up a phone appointment.
I am meant to provide documents for my citizenship application, but my deadline is soon. Can I have an extension?
Use the online web form https://www.cic.gc.ca/english/contacts/web-form.asp to let IRCC know when you have returned from an affected country, and you will be given an additional 30 days to submit most documents. Of medical opinion forms, an additional 45 days will be granted.
I need a visitor visa, a study permit, or a work permit to travel to Canada urgently – how do I apply?
Applicants need to apply online https://www.canada.ca/en/immigration-refugees-citizenship/services/visit-canada.html If the applicant is from China, they will need to email the visa office in Beijing beijing-immigration@international.gc.ca once they have applied online If the applicant is from Iran or South Korea, the individual must fill out the web form https://www.cic.gc.ca/english/contacts/web-form.asp to explain their emergency situation. They will also need to answer “no” when asked if their application is being processed by an officer outside of Canada.
Are Temporary Foreign Workers and Seasonal Agriculture Workers allowed to enter Canada?
Following the closure of the border to the majority of non-citizens, the government has confirmed exemption to seasonal agricultural workers, fish/seafood workers, caregivers and all other temporary foreign workers. As the border controls are much stricter than normal, any worker entering Canada on a visa must have their Port of Entry (POE) letter to travel to Canada. These letters are sent to the TFW or their representative when the visa is approved. If they do not have it, they may not be allowed to travel to Canada. Changes to the Temporary Foreign Worker and Seasonal Agriculture Worker Program include:

- A temporary modification to the Labour Market Impact Assessment process for agriculture and food processing employers, waving the 2-week recruitment period for the next 6 months.
- Increasing the maximum allowable employment duration for workers in the low-wage stream of the Temporary Foreign Worker Program from 1 to 2 years

Financial Support for Individuals, Self-employed, and Families

NOTE: If you have travelled internationally, retroactive to January 3, 2021, all international travellers who need to quarantine upon return to Canada, including people returning from vacation, visiting loved ones, and attending to real estate matters abroad, **will not be eligible to receive support from any of the Canada Recovery Benefits for the period of their mandatory quarantine.** Individuals who are exempt from the mandatory quarantine requirements under the Quarantine Act, such as health care workers who need to cross the border for work, will be eligible to apply following their return to the country.

The Canada Revenue Agency (CRA) updated the application process for the three recovery benefits on Monday, January 11. For claims covering a period beginning on or after January 3, 2021, applicants will now need to indicate whether they were self-isolating or in quarantine due to international travel. Over the coming weeks, the CRA will delay processing claims for individuals who are self-isolating or in quarantine because of international travel until the legislative process is complete to ensure those who receive the benefit meet the latest eligibility criteria.

❖ Canada Recovery Benefit (CRB)

The new Canada Recovery Benefit would be effective from September 27, 2020 for one year and would provide a benefit amount of \$500 per week for up to 26 weeks to workers who are not eligible for EI, mainly the self-employed and including those working in the gig economy. These individuals may still require income support if they continue to be unable to return to work due to COVID-19 or had their income reduced relative to pre-COVID-19 pandemic (attestation-based).

If you are eligible for the CRB, you can receive \$1,000 (\$900 after taxes withheld) for a 2-week period. If your situation continues past 2 weeks, you will need to apply again. You may apply up to a total of 13 eligibility periods (26 weeks) between September 27, 2020 and September 25, 2021. In order to continue to be eligible for the benefit the claimant would need to look for and accept work when it is reasonable to do so. The benefit is taxable.

To encourage claimants to return to work, they would be able to earn income from employment and/or self-employment while receiving the benefit, as long as they continue to meet the other requirements. However, to ensure that the benefit targets those who need it most, claimants would need to repay some or all of the benefit through their income tax return if their annual net income, excluding the Canada Recovery Benefit payment, is over \$38,000. In other words, claimants would need to repay \$0.50 of the benefit for each dollar of their annual net income above \$38,000 in the calendar year to a maximum of the amount of benefit they received.

This means that for a worker who received 10 weeks of the Canada Recovery Benefit in 2020 for a total of \$4000, they would have to repay all of the benefit if their net income exceeded the threshold by \$8000 (twice the benefit payment amount). In this example, the worker would have to repay the full benefit amount if their net income was greater than \$46,000 (not including the Canada Recovery Benefit) in 2020.

How to apply by phone or email

You can apply through your **CRA My Account** or through the automated toll-free line at **1-800-959-2019 or 1-800-959-2041**.

To apply by phone, follow the following instructions:

1. Select your language preference: English or French
2. Press '1' to apply for one of the new Canada recovery benefits
3. Press '3' to apply for the Canada Recovery Benefit (CRB)
4. Follow the prompts to enter your information, including: your SIN, confirmation of your postal code, your date of birth, the period you are applying for
5. Certify that you qualify for the benefit

The CRA is validating applications to ensure that payments are available for people who need them most. When you apply, we may ask you to provide additional information. Only some people will need to do this, but you may want to prepare before you first apply. Your application may take up to 4 weeks to process from the date we receive your complete response. We will contact you once the validation is complete.

If your application needs validation, you may be asked the following items.

If you are or were an employee:
<ul style="list-style-type: none">• Recent pay slips• Employment verification letter, including salary, if accessible online• Record of Employment• Bank statements showing name, address, and payroll deposit
If you are or were self-employed:
<ul style="list-style-type: none">• Invoice for services rendered that includes:<ul style="list-style-type: none">○ the service date○ who the service was for○ the name of the individual or company• Receipt of payment for the service or services provided (a statement of account or bill of sale showing a payment and the remaining balance owed)• Documents showing income earned from a "trade or business" as a sole proprietor, an independent contractor, or a partnership• Any other document that will confirm you earned \$5,000 in employment or self employment income
If you receive provincial or federal benefits related to maternity or parental leave:
<ul style="list-style-type: none">• Statement of benefits• Bank statements showing, name, address, and benefit deposit

Eligibility Criteria

To be eligible for the CRB, you **must meet all the following conditions** for the 2-week period you are applying for:

1. You were not working for reasons related to COVID-19 OR you had a 50% reduction in your average weekly income compared to the previous year due to COVID-19
2. You **did not apply for or receive** any of the following:
 - Canada Recovery Benefit (CRB)
 - Canada Recovery Sickness Benefit (CRSB)
 - short-term disability benefits
 - workers' compensation benefits
 - Employment Insurance (EI) benefits
 - Québec Parental Insurance Plan (QPIP) benefits
3. You were not eligible for EI benefits
4. You reside in Canada
5. You were present in Canada
6. You are at least 15 years old

7. You have a valid Social Insurance Number (SIN)
8. You earned at least \$5000 (before deductions) in 2019, 2020, or in the 12 months before the date you apply from any of the following sources: employment income, self-employment income, maternity and paternity benefits from EI or similar QPIP benefits
9. You have not quit your job or reduced your hours voluntarily on or after September 27, 2020
10. You were seeking work during the periods, either as an employee or in self-employment
11. You have not turned down reasonable work during the 2-week period you're applying for

Verifying your eligibility

The CRA will verify that you're eligible to receive the CRB. Individuals who are found to have intentionally made fraudulent claims may face additional consequences, such as penalties or possible jail time.

To report any suspected misuse, go to: [CRA's Leads program](#).

If information is missing from your application, you may need to provide additional documentation to validate your application and complete the process.

Impact on your taxes

The 10% tax withheld at source may not be all the tax you need to pay. When you complete your personal income tax return, you may need to pay more (or less), depending on how much income you earned. You must report the CRB payments that you receive as income when you file your personal income tax return.

The CRA will provide you with a T4A tax information slip at tax time for the amount you received in CRA administered COVID-19 benefits.

How your income affects what you keep

You may earn employment or self-employment income while you receive the CRB. But to make sure the benefit reaches those who need it most, there is a difference in how much you can keep if you earn more than **\$38,000 in the calendar year**. This amount excludes CRB payments.

You will have to reimburse \$0.50 of the CRB for every dollar of net income you earned above \$38,000 on your income tax return. You will not have to pay back more than your benefit amount for that year. This will be due at the same time as your income tax return for the year. Late payments will be charged interest.

Net income excluding CRB	Reimbursement
If your net income is over \$38,000	You will have to reimburse \$0.50 of the benefit for every dollar of net income that you earned above \$38,000
If your net income is \$38,000 or less	You will not have to reimburse the CRB

Net income includes: Amounts that are normally considered part of net income for income tax purposes (line 23600 of your tax return), with some adjustments for split income and certain repaid amounts. Net income includes any CERB, CRB and CRSB payments you received. It does not include the CRB.

Eligibility Periods

The CRB does not renew automatically. You must apply for each period between September 27, 2020 and September 25, 2021 separately. You can apply for a maximum of 13 periods out of the total 26 periods available.

The 13 periods do not have to be taken consecutively.

PERIOD 1: September 27 to October 10, 2020

You can no longer receive CRB payments after you have reached the maximum of 13 periods (26 weeks). The benefit is available between September 27, 2020 and September 25, 2021.

To confirm the number of periods that you have already received the CRB, you can review your application history in [CRA My Account](#), under "COVID-19 Support Payment Application Details".

Question & Answer on CRB

How to calculate the 50% reduction in your average weekly income
<p>The 50% reduction is based on your average weekly employment or self-employment income from either 2019, 2020, or the previous 12 months. You will need to check that you meet this criteria for every period you apply for.</p> <p>Example:</p> <p>2019 or the last 12 months</p> $\begin{aligned} & \$26,000 \text{ (employment and self-employment income in 2019 or the last 12 months)} \\ & \div 52 \\ & = \$500 \text{ (average weekly income in 2019 or the last 12 months)} \\ & \div 2 \\ & = \$250 \text{ (50\% of the average weekly income in 2019 or the last 12 months)} \end{aligned}$ <p>CRB 2-week period</p> $\begin{aligned} & \$100 \text{ (employment and self-employment income for the CRB period)} \\ & \div 2 \\ & = \$50 \text{ (average weekly income for the CRB period)} \end{aligned}$ <p>The average weekly income for the CRB period must be less than 50% of the average weekly income in 2019, 2020, or the last 12 months.</p> <p>In this example, since \$50 (average weekly income for the CRB period) is less than \$250 (50% of the average weekly income in 2019 or the last 12 months), the individual would meet this criteria.</p>
What is included in employment or self-employment income
<p>For this calculation, self-employment income is your revenue minus any expenses incurred to earn the self-employment revenue.</p> <p>Employment and/or self-employment income includes, among other things:</p> <ul style="list-style-type: none">• tips you may earn while working• non-eligible dividends• honoraria (such as nominal amounts paid to emergency service volunteers)• royalties (such as those paid to artists) <p>Do not include the following in the calculation:</p> <ul style="list-style-type: none">• Pensions• Student loans and bursaries• Maternity and parental benefits from EI or similar QPIP benefits• Any Canada COVID-19 emergency or recovery benefits
Definition of residing in Canada
<p>You live and have a home in Canada, but do not have to be a citizen or a permanent resident.</p>
What counts towards the \$5000 income?
<ul style="list-style-type: none">• Counts as income:<ul style="list-style-type: none">○ All employment or self-employment income, including:<ul style="list-style-type: none">▪ tips▪ non-eligible dividends▪ honoraria (nominal amounts paid to volunteers)

<ul style="list-style-type: none"> ▪ royalties (payments to artists) • Does not count as income: <ul style="list-style-type: none"> ○ disability benefits ○ student loans, bursaries or scholarships ○ pension income ○ amounts from other COVID-19 benefits: <ul style="list-style-type: none"> ▪ Canada Emergency Response Benefit (CERB) ▪ Canada Emergency Student Benefit (CESB) ▪ Canada Recovery Benefit (CRB) ▪ Canada Recovery Caregiving Benefit (CRCB) ▪ Canada Recovery Sickness Benefit (CRSB)
What if I am seeking work during the period either as an employee or self-employed?
There is a provincial course exception: If you attended a course, program, or training referred to you by a provincial government or provincial body during the 2-week period, you may be eligible for the CRB if you also meet all the other eligibility criteria.
Can I work while receiving CRB?
<p>You may earn employment or self-employment income while you receive the CRB. But the CRB has an income threshold of \$38,000.</p> <p>You will have to reimburse \$0.50 for every dollar of net income you earn above \$38,000 on your income tax return for that year (2020 or 2021). You will not have to pay back more than your benefit amount for that year.</p> <p>We encourage you to consult Job Bank, Canada's national employment service that offers tools to help with your job search.</p>
Is there a penalty for refusing to work?
If you refuse reasonable work, you will automatically lose 5 periods (10 weeks) of the CRB eligibility periods. You must also wait 5 periods (10 weeks) before you can re-apply. If you refuse work again, you will face the penalty again.
Can I get more than one of the Recovery Benefits for the same period?
No. You cannot claim more than one of the Recovery Benefits for the same period. You may also not get the Recovery Benefits if you are getting Employment Insurance benefits, provincial maternity or parental benefits, or any other paid leave for the same period.
Can I get more than one of the Recovery Benefits between September 27, 2020 and September 25, 2021?
<p>Yes, as long as you meet the relevant eligibility criteria.</p> <p>However, you cannot claim more than one of the Recovery Benefits for the same period.</p> <p>You may also not get the Recovery Benefits if you are getting Employment Insurance benefits, provincial maternity or parental benefits, or any other paid leave for the same period.</p>
Why is payment changing to arrears when the CERB was paid in advance for anticipated time unable to work?
The Recovery Benefits will be paid following the period where you were not working, to allow you to attest to the fact that you were unable to work for the time for which you are claiming the Benefit. This is consistent with how the Employment Insurance Benefits are administered. This will help ensure that people are getting the Benefits for a period for which they are entitled, and avoid the need to repay benefits if they apply but then are able to work.
How long do I have to apply for one of the Recovery Benefits after my period of not working?
The Recovery Benefits are available between September 27, 2020 and September 25, 2021.

<p>You have 60 days to apply after the end of the period for which you need the benefit.</p> <p>For example, if you couldn't work due to COVID-19 for the two-week period between September 27 and October 10, 2020, you can apply for this two-week period until December 9, 2020.</p>
<p>What should I expect when I file my taxes for 2020?</p>
<p>Both the CERB and the Recovery Benefits are taxable. At the end of the year, the Canada Revenue Agency will calculate the amount of tax you owe based on your total income including both the amounts received for the Canada Emergency Response Benefit and the Canada Recovery Benefit.</p> <p>With respect to the clawback for the Canada Recovery Benefit, you will be required to repay \$0.50 of the Benefit for every dollar in net income you earn above \$38,000 (excluding the amount received for the Canada Recovery Benefit) to a maximum repayment of the Canada Recovery Benefit received in the year. Amounts repaid will not be included in your taxable income. This will be reconciled on your T1 tax return and the repayment will be incorporated in your total payable.</p>
<p>I was receiving the Canada Emergency Response Benefit until the end of June and then found employment but, while still employed, I am being asked by my employer to work reduced work hours. Am I eligible for the Canada Recovery Benefit?</p>
<p>You may be eligible for the Canada Recovery Benefit if you have suffered a reduction in income of 50% or more due to COVID-19, and you meet all other eligibility criteria.</p>
<p>I am a senior collecting a pension but supplementing with part-time work – am I eligible for the Canada Recovery Benefit?</p>
<p>If you are not eligible for Employment Insurance and are not employed or self-employed due to the COVID-19 pandemic or are working and have had a reduction of at least 50 per cent in your employment/self-employment income for reasons related to COVID-19, you could be eligible to receive the Canada Recovery Benefit, as long as you meet all the other eligibility criteria.</p> <p>This includes having earned at least \$5,000 from employment or self-employment in the previous calendar year or the 12 months prior to your first application for the Canada Recovery Benefit. You will be required to repay \$0.50 for every dollar in net income you earn above \$38,000 (excluding the amount received for the Canada Recovery Benefit) until you have repaid the full amount of the Canada Recovery Benefit you received. Amounts repaid will not be included in your taxable income.</p>
<p>If I am paid income after applying for the Canada Recovery Benefit for work undertaken previously, does it impact my ability to get the Benefit?</p>
<p>You may earn income from employment and/or self-employment while receiving the Canada Recovery Benefit, as long as you continue to meet the other requirements. This includes earning 50% or less of your previous income for a two-week period due to COVID-19.</p> <p>However, you will be required to repay \$0.50 of the Benefit for every dollar in net income you earn above \$38,000 for the year (excluding the amount received for the Canada Recovery Benefit). This would include amounts you earned in the year prior to applying for the Canada Recovery Benefit.</p>
<p>Am I going to be financially impacted twice when I file my 2020 taxes – once for the taxes I owe for the CERB and once for any amount earned over \$38,000?</p>
<p>At the end of the year, the Canada Revenue Agency will calculate the amount of tax you owe based on your total income including both the amounts received for the Canada Emergency Response Benefit and the Canada Recovery Benefit.</p> <p>With respect to the clawback for the Canada Recovery Benefit, you will be required to repay \$0.50 of the Benefit for every dollar in net income you earn above \$38,000 (excluding the amount received for the Canada Recovery Benefit) to a maximum repayment of the Canada</p>

Recovery Benefit received in the year. Amounts repaid will not be included in your taxable income. This will be reconciled on your T1 tax return and the repayment will be incorporated in your total payable.
How do I prove I have been seeking work?
Consistent with the EI Program, you will be required to attest every two weeks that you have been actively looking for work and did not decline reasonable work opportunities.
What constitutes “when reasonable”?
The Government recognizes that each individual circumstance is unique. Requiring that individuals seek and accept work when it is reasonable to do so reflects the expectation that individuals return to work as soon as possible, while allowing them to exercise sound judgement about their personal safety and that of their families, and the extent to which the work opportunity reasonably responds to their circumstances.
My employer has promised to hire me back as soon as they are able. Do I have to look for and accept other work, knowing that I have a guaranteed job?
Yes. To be eligible for the Canada Recovery Benefit, you will be required to attest every two weeks that you are actively seeking work and did not decline reasonable work. However, there could be circumstances where you could have reasonable grounds to turn down work. For example, if your previous employer has made you a firm offer to return to work in the near future (e.g., within a few weeks), you may have reasonable grounds to refuse other work offers.
How will the clawback be calculated if I collect the Canada Recovery Benefit beginning in 2020 into 2021 (a new calendar year)? Do I get to earn up to \$38,000 twice – once per calendar year?
Yes. You can receive net income up to \$38,000 in each calendar year (excluding the amount received for the Canada Recovery Benefit) before you will be subject to repayment of the Canada Recovery Benefit for that same year.
How will the clawback be calculated if I am self-employed and do not draw income from my business but rather rely on dividends?
The Canada Recovery Benefit repayment will kick in when your net income for the year (excluding Canada Recovery Benefit payments) is more than \$38,000 for the year in which the benefits were received. Taxable dividend amounts received in the year will be included in determining if the recipient's net income exceeds this threshold.

❖ Canada Recovery Sickness Benefit (CRSB)

The new Canada Recovery Sickness Benefit would provide \$500 per week (\$450 after taxes withheld), for up to 2 weeks, effective September 27, 2020 for 1 year, for workers who are unable to work because they are sick or must self-isolate due to COVID-19.

Eligibility criteria

To be eligible for the CRSB, **you must meet all the following conditions** for the 1-week period you are applying for:

1. You are unable to work **at least 50%** of your scheduled work week because you're self-isolating for one of the following reasons:
2. You are sick with COVID-19 or may have COVID-19
3. You are advised to self-isolate due to COVID-19
4. You have an underlying health condition that puts you at greater risk of getting COVID-19.

5. You **did not apply for or receive** any of the following for the same period:
 - Canada Recovery Benefit (CRB)
 - Canada Recovery Caregiving Benefit (CRCB)
 - short-term disability benefits
 - workers' compensation benefits
 - Employment Insurance (EI) benefits
 - Québec Parental Insurance Plan (QPIP) benefits
6. You reside in Canada
7. You were present in Canada
8. You are at least 15 years old
9. You have a valid Social Insurance Number (SIN)
10. You earned at least \$5000 (before deductions) in 2019, 2020, or in the 12 months before the date you apply from any of the following sources: employment income, self-employment income, maternity and paternity benefits from EI or similar QPIP benefits
11. You are not receiving paid leave from your employer for the same period

How much you receive per period

The Canada Recovery Sickness Benefit (CRSB) provides a payment of \$500 (before taxes withheld) for each 1-week period you apply for. After the CRA withholds 10% tax at source, the actual payment you get is **\$450 per 1-week period**.

Your payment amount will be the same for each period you've applied for, even if you worked for part of the week. To be eligible, you must have missed more than 50% of your work week.

If you're eligible, you may apply up to a maximum of 2 weeks between September 27, 2020 and September 25, 2021.

How we calculate your payment

\$500 (CRSB gross amount) - \$50 (10% tax withheld at source) = \$450 (amount you receive per period)

Impact on your taxes

The 10% tax withheld at source may not be all the tax you need to pay. When you complete your personal income tax return, you may need to pay more (or less), depending on how much income you earned. You must still report CRSB payments you receive as income when you file your personal income tax return.

The CRA will provide you with a T4A tax information slip at tax time for the amount you received for all CRA administered COVID-19 benefits.

How eligibility periods work

The CRSB does not renew automatically. If your situation continues, you must apply for your second eligibility period separately. You may apply for any eligible 1-week period for **up to 60 days after** that period has ended.

You can apply for a maximum of 2 weeks between September 27, 2020 and September 25, 2021. The 2 weeks **do not** have to be taken consecutively.

If you become sick or have to self-isolate due to COVID-19 part way through a period, you can only apply for the period if you missed more than 50% of that work week. If you miss less than that, you need to wait to apply for the next eligibility period.

Period start and end dates

Each 1-week period starts on a Sunday and ends on the following Saturday. You may start applying on the **first Monday after** the 1-week period you're applying for has ended.

Period 1: September 27 to October 3, 2020

**If you're eligible, this period is open for application. The earliest you can apply for this period is: Monday October 5*

NOTE: Your eligibility ends after 2 periods

The benefit is available between September 27, 2020 and September 25, 2021. You can no longer receive CRSB payments after you have reached the maximum of 2 periods.

Your eligibility cannot be extended, even if you:

- are sick or self-isolating due to COVID-19 for more than 2 periods
- become sick or are self-isolating due to COVID-19 again between September 27, 2020 and September 25, 2021

How to Apply online or by phone

You can apply online through MY CRA or by phone.

Telephone: **1-800-959-2019 or 1-800-959-2041**

To apply by phone, follow the following instructions:

1. Select your language preference: English or French
2. Press '1' to apply for one of the new Canada recovery benefits
3. Press '3' to apply for the Canada Recovery Benefit (CRB)
4. Follow the prompts to enter your information, including: your SIN, confirmation of your postal code, your date of birth, the period you are applying for
5. Certify that you qualify for the benefit

The CRA is validating applications to ensure that payments are available for people who need them most.

When you apply, they may ask you for additional information. Only some people will need to do this, but you may want to prepare before you first apply.

If your application needs validation, they may ask you for the following items:

If you are or were an employee
<ul style="list-style-type: none">• Recent pay slips• Employment verification letter, including salary, if accessible online• Record of Employment• Bank statements showing name, address, and payroll deposit
If you are or were self-employed
<ul style="list-style-type: none">• Invoice for services rendered that includes:<ul style="list-style-type: none">○ the service date○ who the service was for○ the name of the individual or company• Receipt of payment for services provided (a statement of account or bill of sale showing a payment and the remaining balance owed)• Documents showing income earned from a "trade or business" as a sole proprietor, independent contractor, or a partnership• Any other document that will confirm you earned \$5,000 in employment or self employment income
If you receive provincial or federal benefits related to maternity or parental leave
<ul style="list-style-type: none">• Statement of benefits• Bank statements showing, name, address, and benefit deposit

Processing time with validation: It may take up to 4 weeks to process from the date we receive your complete response. We will contact you once the validation is complete.

Questions & Answers about CRSB

Do I have to use up any other sick leave I have before I can apply for the Canada Recovery Sickness Benefit?
<p>No. You may apply for the Canada Recovery Sickness Benefit even if you have access to other paid sick leave through your employer, the Employment Insurance program, private insurance or another source.</p> <p>However, you may not claim the Canada Recovery Sickness Benefit for the same period in which you are receiving any EI benefits or another form of paid leave.</p>
People can get infected with COVID more than once – can I reapply for another two weeks if I get COVID a second time?
No. The Canada Recovery Sickness Benefit is available for up to two weeks, which may be taken in two one-week periods between September 27, 2020 and September 25, 2021.
Am I eligible for the Benefit if I have to self-isolate but am able to work from home?
<p>No. To be eligible for the Canada Recovery Sickness Benefit, you must have a minimum 50% reduction in scheduled work per week as a result of illness and/or quarantine related to COVID-19.</p> <p>If you are able to work from home for more than 50% of your scheduled work per week you will not be eligible.</p>
If I am advised by person in authority to stay home to avoid catching COVID-19, can I receive the Canada Recovery Sickness Benefit?
Yes. You will be eligible for up to two weeks of the Canada Recovery Sickness Benefit if you are either sick with COVID-19, have been directed to self-quarantine by your employer, a medical practitioner, a nurse practitioner, a person in authority, a government or a public health authority for reasons related to COVID-19, or have underlying conditions that in the opinion of a medical practitioner, nurse practitioner, person in authority, government or public health authority would make you more susceptible to COVID-19.
Why do I have to use a full week's worth of Benefit if I am only required to isolate myself for two or three days, for example while waiting for test results?
The Canada Recovery Sickness Benefit is a temporary income support program to enable workers to stay home if they are unable to work because they are sick or potentially exposed to COVID-19 or at greater risk if exposed to COVID-19. The Government has put the emphasis on providing quick and direct access, which has required a simplified approach to delivery of the benefit. As a result, it is not possible to provide the benefit for periods of less than a week.
If I am sick for reasons related to COVID-19, should I apply for the Canada Recovery Sickness Benefit or Employment Insurance (EI) Sickness benefits?
<p>If you are sick or must self-isolate due to COVID-19 and are eligible for both Employment Insurance sickness benefits and the Canada Recovery Sickness Benefit, you can choose which benefit you want to claim.</p> <p>However, you can't get both EI sickness benefits and the Canada Recovery Sickness Benefit for the same period.</p>

❖ **Canada Recovery Caregiver Benefit (CRCB)**

The Canada Recovery Caregiver Benefit would be effective from September 27, 2020 for 1 year, and provide \$500 (\$450 after taxes withheld) per week, for up to 26 weeks per household to eligible Canadians.

The Canada Recovery Caregiving Benefit (CRCB) gives income support to employed and self-employed 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. This applies if their school, regular program or facility is closed or unavailable to them due to COVID-19, or because they're sick, self-isolating, or at risk of serious health complications due to COVID-19. The CRCB is administered by the Canada Revenue Agency (CRA).

Eligibility Criteria

To be eligible for the CRCB, you **must meet all the following conditions** for the 1-week period you are applying for:

1. You are unable to work at least 50% of your scheduled work week because you are caring for a family member
2. You are caring for your child under 12 years old or a family member who needs supervised care because they are at home for one of the **following reasons**:
 - Their school, daycare, day program, or care facility is closed or unavailable to them due to COVID-19
 - Their regular care services are unavailable due to COVID-19
 - The person under your care is:
 - sick with COVID-19 or has symptoms of COVID-19
 - at risk of serious health complications if they get COVID-19, as advised by a medical professional
 - self-isolating due to COVID-19
 - *a medical practitioner, a nurse practitioner, a person in authority, the government, your public health authority can advise a person under your care to self-isolate*
3. You did not apply for or receive any of the following for the same period:
 - Canada Recovery Benefit (CRB)
 - Canada Recovery Sickness Benefit (CRSB)
 - short-term disability benefits
 - workers' compensation benefits
 - Employment Insurance (EI) benefits
 - Québec Parental Insurance Plan (QPIP) benefits
4. You reside in Canada
5. You were present in Canada
6. You are at least 15 years old
7. You have a valid Social Insurance Number (SIN)
8. You earned at least \$5000 (before deductions) in 2019, 2020, or in the 12 months before the date you apply from any of the following sources: employment income, self-employment income, maternity and paternity benefits from EI or similar QPIP benefits
9. You are the only person in your household applying for the benefit for the week
10. You are not receiving paid leave from your employer for the same period

How to Apply online or by phone

You can apply online through MY CRA or by phone.

Telephone: **1-800-959-2019 or 1-800-959-2041**

To apply by phone, follow the following instructions:

6. Select your language preference: English or French
7. Press '1' to apply for one of the new Canada recovery benefits
8. Press '3' to apply for the Canada Recovery Benefit (CRB)
9. Follow the prompts to enter your information, including: your SIN, confirmation of your postal code, your date of birth, the period you are applying for
10. Certify that you qualify for the benefit

The CRA is validating applications to ensure that payments are available for people who need them most.

When you apply, they may ask you for additional information. Only some people will need to do this, but you may want to prepare before you first apply.

If your application needs validation, they may ask you for the following items:

If you are or were an employee
<ul style="list-style-type: none">• Documents (letter, notification, email) showing the person under your care is unable to go to school, daycare, day program or care facility due to COVID-19• Recent pay slips• Employment verification letter, including salary, if accessible online• Record of Employment• Bank statements showing name, address, and payroll deposit
If you are or were self-employed
<ul style="list-style-type: none">• Documents (letter, notification, email) showing the person under your care is unable to go to school, daycare, day program or care facility due to COVID-19• Invoice for services rendered that includes:<ul style="list-style-type: none">○ the service date○ who the service was for○ the name of the individual or company• Receipt of payment for services provided (a statement of account or bill of sale showing a payment and the remaining balance owed)• Documents showing income earned from a "trade or business" as a sole proprietor, independent contractor, or a partnership• Any other document that will confirm you earned \$5,000 in employment or self employment income
If you receive provincial or federal benefits related to maternity or parental leave
<ul style="list-style-type: none">• Documents (letter, notification, email) showing the person under your care is unable to go to school, daycare, day program or care facility due to COVID-19• Statement of benefits• Bank statements showing, name, address, and benefit deposit

Processing time with validation: It may take up to 4 weeks to process from the date we receive your complete response. We will contact you once the validation is complete.

How much you receive per period

The Canada Recovery Caregiving Benefit (CRCB) provides a payment of \$500 (before taxes withheld) per **household** for each 1-week period applied for. After the CRA withholds a 10% tax at source, the actual payment you get is **\$450 per 1-week period**.

Only one eligible individual in the **same household** (living as a family at the same address) can apply for the benefit per week.

Each **household** may receive payments for a maximum of 26 weeks between September 27, 2020 and September 25, 2021.

If you're eligible, your payment amount will be the same for each period you've applied for, even if:

- you are caring for more than one family member who needs supervised care
- you worked for less than 50% of the work week

Eligibility Period

The CRCB does not renew automatically. If your situation continues, you must apply for each period separately. You may apply for any eligible 1-week period for **up to 60 days after** that period has ended.

Each **household** can apply up to a maximum of 26 periods between September 27, 2020 and September 25, 2021. The 26 weeks **do not** need to be taken consecutively.

If you started caring for a family member part way through a period, you can only apply for that period if you missed more than 50% of that work week. If you miss less than that, you need to wait to apply for the next eligibility period.

Period start and end dates

Each 1-week period starts on a Sunday and ends on the following Saturday. You may start applying on the **first Monday after** the 1-week period you're applying for has ended.

Period 1: September 27 to October 3, 2020

The benefit is available between September 27, 2020 and September 25, 2021. You can no longer receive CRCB payments after your household has reached the maximum of 26 periods.

Your eligibility cannot be extended, even if you need to care for the same or other family members for more than 26 weeks or if their school, regular program or facility is closed or unavailable to them again due to COVID-19.

How we calculate your payment

\$500 (CRCB gross amount) - \$50 (10% tax withheld at source) = \$450 (amount you receive per period)

Impact on your taxes

The 10% tax withheld at source may not be all the tax you need to pay. When you complete your personal income tax return, you may need to pay more (or less), depending on how much income you earned. You must still report CRSB payments you receive as income when you file your personal income tax return.

The CRA will provide you with a T4A tax information slip at tax time for the amount you received for all CRA administered COVID-19 benefits.

Questions & Answers about CRCB

Do I need to use up all my vacation and/or any other types of leave I have before I can apply for the Canada Recovery Caregiving Benefit?
No. You do not have to use all other leave before applying for the Canada Recovery Caregiving Benefit. You cannot receive the Canada Recovery Caregiving Benefit for the same period in which you are getting any other paid benefits, including EI Benefits or paid leave.
Am I eligible if my child's school is open but I choose not to send them back as I don't feel it is safe?
No. If you choose to stay home to care for your children if the childcare centre/school is open, you are not eligible to receive the Canada Recovery Caregiving Benefit. An exception is where the child would, in the opinion of a medical practitioner or nurse practitioner, be at risk of having serious health complications if the child contracted COVID-19. In this situation, you would be eligible to receive the Canada Recovery Caregiving Benefit, as long as you meet the other eligibility criteria. To be eligible for the Canada Recovery Caregiving Benefit, you must have a minimum 50% reduction in scheduled work per week and the childcare centres/schools must be closed or not available to them due to COVID-19 or the child must be sick and/or directed to quarantine by a medical professional.
Am I eligible if my child's school is open but I choose not to send them back because we have family members who are immuno-compromised?
No. If you choose to keep your children at home if the childcare centre/school is open to them, you are not eligible to receive the Canada Recovery Caregiving Benefit. An exception is where the child would, in the opinion of a medical practitioner or nurse practitioner, be at risk of having serious health complications if the child contracted COVID-19.

In this situation, you would be eligible to receive the Canada Recovery Caregiving Benefit, as long as you meet the other eligibility criteria.
What evidence will I be required to provide to prove that alternate care arrangements are not available?
Eligibility for the Canada Recovery Caregiving Benefit is attestation based. It will be up to you to confirm that you meet the eligibility criteria.
You may be asked to provide supporting documentation at the time of application or at a later date.
Can my partner and I living in the same household take the Canada Recovery Caregiving Benefit at the same time if we both stay home from work? What if we are separated and share custody?
Only one individual in a household may receive the Canada Recovery Caregiving Benefit at any one point in time.
You could share the maximum number of weeks with your partner. However, in total, the household is only eligible for a total of 26 weeks within the period from September 27, 2020 to September 25, 2021.
In the case of shared custody, an individual in another household is also eligible for a maximum of 26 weeks as the maximum duration is determined by household, not by the individual requiring care.
What if my partner and I need to stay home for different reasons – for example I am taking care of our child/children while my partner takes care of elderly parents – can we both get the Canada Recovery Caregiving Benefit?
No. Only one individual in a household may receive the Canada Recovery Caregiving Benefit at any one point in time.
You could share the maximum number of weeks with your partner. However, in total, the household is only eligible for a total of 26 weeks within the period from September 27, 2020 to September 25, 2021.

❖ Changes to Employment Insurance (EI)

As of September 27, 2020, there are some temporary changes to the EI program to help you access EI regular benefits. The following changes will be in effect for 1 year and could apply to you:

- A minimum unemployment rate of 13.1% applies to all regions across Canada starting August 9, 2020
 - If your region's unemployment rate is higher than 13.1%, we'll use the higher actual rate to calculate your benefits
 - This means you can receive at least 26 weeks of regular benefits
- You only need 120 insured hours to qualify for benefits because you'll get a one-time credit of 300 insured hours to help you meet the required 420 insured hours of work
- You'll receive at least \$500 per week before taxes but you could receive more
- If you received the CERB, the 52-week period to accumulate insured hours will be extended

Transition to Employment Insurance

If I received the CERB, am I automatically qualified for EI?
Receiving the CERB does not mean that you are automatically qualified to receive EI benefits. Many temporary measures are in place to ease the transition from the CERB to EI but claimants are still required to meet qualifying and entitlement conditions for the type of benefit they are requesting including not leaving their jobs voluntarily.
If you applied for the CERB through Service Canada, the record of employment that was submitted when you first applied for the CERB will be used to support the transition to EI.

<p>However, you are encouraged to provide a record of employment (ROE) for any work performed over the duration of your qualifying period including during the period you were receiving the CERB. These ROEs will be used to determine if you have sufficient hours to qualify and to calculate your benefit rate and entitlement weeks. If you applied for the CERB through CRA, you will need to submit all ROEs when you make your application for EI benefits.</p> <p>Reason for separation and availability issues, among others, may also be reviewed in determining eligibility for EI benefits. For instance, in most cases, you cannot voluntarily quit your job, even when taking into account the pandemic.</p>
<p>How long do I have to have stopped working before I can qualify for EI?</p> <p>There will still need to be seven consecutive calendar days with no work and no insurable earnings from an employer (interruption of earnings) to qualify for EI.</p> <p>The waiting period has been waived for all EI claims established between September 27 and October 25, 2020.</p> <p>In addition, the waiting period has been waived for new EI sickness claims established on or after September 27, 2020 for a period of one year to encourage compliance with public health measures.</p>
<p>Will I receive more or less on EI than I did on CERB?</p> <p>The amount you get on Employment Insurance varies. Benefit rates range from the temporary minimum of \$500 per week (same as the CERB) to the 2020 maximum amount of \$573 per week.</p> <p>All EI benefits are taxable and federal, provincial or territorial taxes will be deducted from payments wherever applicable.</p> <p>Applicants can log into their MSCA account to obtain details of their EI benefits claim, including how much they will receive every week as well as the number of weeks of benefits to which they may be entitled.</p>
<p>I never claimed the CERB because I was still working, but have now lost my job. Can I still get the hours credit?</p> <p>Yes. If you establish an initial claim for EI regular or special benefits between September 27, 2020 and September 25, 2021, you will be eligible for the one-time hours credit whether or not you got the CERB. The hours credit will be automatically applied when the claim is processed.</p>
<p>Will people receive the CERB or EI if they apply for EI regular benefits before September 27th?</p> <p>All claims for Employment Insurance regular benefits established between March 15 and September 26, 2020 will be processed through the CERB.</p> <p>Most individuals who have been receiving the CERB through Service Canada who exhaust the 28 weeks of CERB and meet the eligibility criteria will be automatically transitioned to EI, supported by the facilitation measures announced on August 20, 2020, including the one-time hours credit and the minimum unemployment rate of 13.1%.</p>
<p>Will I experience a delay when I exhaust my CERB benefits and transition to EI?</p> <p>Most individuals who have been receiving the CERB through Service Canada who exhaust the 28 weeks of CERB and meet the eligibility criteria will be automatically transitioned to EI once your 28 weeks of CERB has been paid (or when the CERB payment period ends on October 3, 2020). In a few cases, some Canadians who received CERB through Service Canada will need to apply for EI benefits.</p> <p>Canadians who are EI eligible and who received CERB through the CRA but continue to be eligible for financial assistance once the 28 weeks of CERB has been used up will need to apply for EI benefits.</p> <p>You can apply through the usual EI online application. You will need to submit bi-weekly reports to show eligibility and to continue getting paid.</p> <p>EI benefits are taxable and federal, provincial or territorial taxes will be deducted from payments.</p>

What will happen if I didn't continue to file my two week reports after I received my last CERB payment? Will this impact my ability to get EI?
You must complete bi-weekly reports to show your eligibility and to receive benefits to which you may be eligible. If you have stopped completing your reports, but continue to require financial assistance you should complete any outstanding bi-weekly reports as soon as possible to avoid delays in payment.
If I was receiving the CERB through the CRA but am EI eligible, will I be automatically transitioned to Service Canada?
No. If you applied and got the CERB through CRA but are EI eligible, you will need to apply for EI regular benefits once you have used up the 28 weeks of CERB.
What happens if I had an open EI claim that I have not yet exhausted? Do I get a choice between resuming that claim or opening a new one depending where I might receive more money?
If you have weeks remaining on an Employment Insurance claim, Service Canada will automatically reactivate (renew) that claim at the existing benefit rate. You may also request that Service Canada end your existing claim and open a new EI claim, provided you meet the eligibility criteria. If you choose to end your existing claim, any remaining weeks payable on that existing claim will be lost and your decision is irreversible and not subject to reconsideration.
What is the minimum amount an EI claimant can receive?
For new EI claims established between September 27, 2020 and September 25, 2021, you will receive a minimum benefit rate of \$500 per week or \$300 per week for extended parental benefits, less applicable taxes If you are Working While on Claim, the amount you receive will vary as you can keep 50 cents of your benefits for every dollar you earn, up to 90 percent of your weekly earnings used to calculate your benefit rate. Above this cap, your EI benefits are deducted dollar-for-dollar.
How does the number of best weeks affect my claim?
The benefit rate calculation considers the weeks in which you had the greatest earnings (best weeks) in your qualifying period. As a result of the minimum unemployment rate of 13.1% your claim will be calculated based on your best 14 weeks of earnings. In addition, if you have less than 14 weeks of earnings, the number of weeks of work will be used when calculating your benefit amount.
Do any monies I received as separation when I was laid off affect the payment of EI benefits?
No. As a temporary measure most separation monies received when you are laid off will not affect the payment of your EI benefits for the claims established on or after September 27, 2020 for one year.
How will I be expected to prove I am looking for work when there are no jobs available because of COVID?
As a general rule, to be entitled to EI regular benefits, you must show that you are unemployed, able and willing to work and actively looking for suitable employment. Evidence of job search could include, for example, records of applications for work, job interviews, job search activity on the national Job Bank, etc. The Government of Canada understands that it may be difficult to look for a job during a pandemic, and will take this into consideration when determining a claimant's entitlement to benefits.
Can employers use a Supplemental Unemployment Benefit (SUB) plan to increase their employee's weekly earnings once they transition to EI?
Yes. Employers that wish to do so may submit a SUB plan to Service Canada. By registering a plan, employers can make payments to employees who are receiving EI regular or sickness

benefits. Payments from SUB plans that are registered with Service Canada are not considered as earnings for the purposes of Employment Insurance and are not deducted from EI benefits.
If I am unable to work for other reasons related to COVID-19, for example because I am sick or because my child's school is not available, do I have to take my EI benefits first?
No. You don't need to take your EI benefits before you apply for the Canada Recovery Sickness Benefit or the Canada Recovery Caregiving Benefit. However, you cannot get EI and the Recovery Benefits or any other paid leave at the same time.
If I am a parent who has to stay home and claims the Canada Recovery Benefit, will those weeks be deducted from my EI entitlement if I then apply for EI?
The Canada Recovery Caregiving Benefit (CRCB) provides support for eligible workers who are unable to work because they must care for their child under 12 years old or a family member who needs supervised care in specific situations related to COVID-19. These caregiving situations are not covered by the EI program. While you cannot receive the CRCB and EI benefits for the same week, the receipt of the CRCB does not affect your entitlement to EI benefits.

Overview

Access to EI benefits is normally based on the number of insurable hours an individual has worked in the year prior to their application, or since their last claim. This is known as their qualifying period. However, the Government of Canada recognizes that the pandemic has prevented many Canadians from accumulating the number of insurable hours that is normally required, and is taking action to address this.

To help individuals qualify with a minimum of 120 hours of work, EI claimants will receive a one-time insurable hours credit of:

- 300 insurable hours for claims for regular benefits (job loss)
- 480 insurable hours for claims for special benefits (sickness, maternity/parental, compassionate care or family caregiver)

The hours credit will also be made retroactive to March 15, 2020 for claimants who were looking to transition early from the CERB to EI maternity, parental, compassionate care, family caregiver or work-sharing benefits but could not establish their EI claim due to insufficient hours. For these claimants, the qualifying period will also be extended.

The hours credit will be available for new EI claims for one year, in recognition that labour market conditions remain uncertain and will take time to stabilize.

Minimum EI unemployment rate across Canada

As a first step to help eligible Canadians transition from CERB back into the EI system and into the labour force, a minimum unemployment rate of 13.1% is being used for all EI economic regions in order to lower the hours required to qualify for EI regular benefits. This measure is effective for one year starting on August 9, 2020. Individuals in EI regions with an unemployment rate lower than 13.1% will have their EI benefits calculated on the basis of the 13.1% rate, while those in regions with a higher rate will have their benefits calculated using the actual higher rate.

Normally, the unemployment rate in the region in which a claimant resides at the time they file their claim determines:

- the number of hours of insurable employment a claimant needs to have accumulated in their qualifying period to be eligible for EI regular benefits – ranging from 420 to 700;

- the number of weeks of EI regular benefits a claimant may be entitled to – ranging from 14 to 45; and
- the number of best weeks of earnings that will be used to establish their weekly benefit rate – ranging from 14 to 22.

The EI system uses regional unemployment rates to determine access to EI regular benefits, given that it is generally more difficult for individuals to find new work when unemployment is higher.

In recognition that the pandemic has negatively impacted labour markets in ways that extend beyond traditional measures of unemployment, this measure will set a uniform eligibility requirement for EI regular benefits at 420 hours of insurable employment (before the hours credit is applied), provide a minimum entitlement of 26 weeks of regular benefits, and set 14 as the number of best weeks of earnings used in the calculation of the weekly benefit rate. Combined with the hours credits noted above, individuals can qualify for EI with 120 hours of work.

Minimum benefit rate

To further support clients and in addition to the above measures that will increase access to the program, new EI claimants as of September 27, 2020 will receive a minimum benefit rate of \$400 per week (or \$240 for extended parental benefits), if this is higher than what their benefits would otherwise be.

The EI benefit rate is typically based on a worker's average weekly earnings before their EI claim.

EI premium rate freeze

To support Canadian businesses and workers through the unprecedented challenges posed by the COVID-19 pandemic, the Government is freezing the EI premium rate for employees at the 2020 level of \$1.58 per \$100 of insurable earnings for 2 years. The rate for employers, who pay 1.4 times the employee rate, will also remain unchanged at \$2.21 per \$100 of insurable earnings.

Record of Employment

<https://www.canada.ca/en/employment-social-development/programs/ei/ei-list/ei-roe.html>

Employers should use reason Code A (Shortage of work) as the reason for separation on the ROE. When the ROE is not submitted:

- In situations where fact-finding is required with the employer (i.e. a dismissal); this is the high-level process followed by agents:
 - The agent attempts to obtain the facts concerning the reason for separation by calling the employer. Two telephone attempts are made within 48 hours. Voicemails are left when the employer has one.
 - If the telephone attempts are unsuccessful, a letter is sent to the employer by mail asking to contact the agent. A delay of 10 days is provided.
 - If the employer does not contact the agent after those attempts, a decision is rendered with the facts on file, hence without the facts from the employer.
- For a situation where the ROE is missing to calculate the claim, and the client is requesting help in obtaining the ROE, this is the high-level process followed by agents:
 - The agents attempt to remind the employer of their obligation to submit an ROE by calling them. Two telephone attempts are made within 48 hours. Voicemails are left when the employer has one.
 - If the telephone attempts are unsuccessful, a letter is sent to the employer by mail asking them to submit the ROE. A delay of 10 days is provided.
 - As soon as the first letter is sent, the processing agents start the interim ROE process to calculate the claim without the ROE and benefits may begin.
 - If the employer does not submit the ROE after the first letter, a second letter is sent by mail asking to submit the ROE. At this stage, the processing agent does not do a follow-up on the second letter. Instead, the file is referred to Integrity Services for them to follow-up with the employer.

The rules surrounding a **medical certificate** for these circumstances are as follows:

- Claimants placed in quarantine will not have to provide a medical certificate, if the quarantine is:
- Imposed on the claimant under the laws of Canada or a province
- Imposed on the claimant by a public health official for the health and safety of the public at large, or
- Recommended by such an official for health and safety of the public at large, and the claimant was asked by their employer, medical doctor, a nurse or a person in authority to place themselves under quarantine.
 - However, claimants who fall sick during the quarantine period and **collect benefits beyond the period of quarantine will be required to obtain and retain a medical certificate**, which is the current practice for all other sickness benefits claims. As these individuals would be under active medical care, getting a medical certificate is expected not to be problematic.

❖ Canada Emergency Response Benefit (CERB)

How to return CERB

You must repay the CERB if you no longer meet the eligibility requirements for the 4-week period in question. This could happen if:

- you earned employment or self-employment income earlier than expected
- you applied for the CERB but later realize you're not eligible
- you receive a CERB payment from both Service Canada and the CRA for the same period

If you applied for CERB through the Canada Revenue Agency:

1. By mail (CRA):

- If you still have the original CERB cheque mail it to the address listed below
- If you received the payment by direct deposit, or deposited the cheque, you can mail your repayment to the address listed below.
 - Make payment out to "Receiver General for Canada"
 - Indicate it is for "Repayment of CERB"
 - Include your Social Insurance Number (SIN)

Mailing Address

Revenue Processing – Repayment of CERB
Sudbury Tax Centre
1050 Notre Dame Avenue
Sudbury ON P3A 0C3

*****Please do not send cash through the mail*****

2. Online banking with your financial institution:

- Sign in to your financial institutions online banking service for individuals
- Under "Add a payee" look for an option such as: CRA (revenue) – tax instalment
- Enter your 9-digit social insurance number as the CRA account number

3. Using CRA My Account:

Beginning May 11, the CRA will offer a convenient way to repay the CERB with a few simple clicks using My Account.

- Sign in to your CRA My Account

- Select the "Proceed to pay" button on the Overview page under the COVID-19 Emergency Support Details
- Enter the amount you wish to repay
- Select your payment method of choice

If you don't have a My Account, sign up for one today or use your My Service Canada account to get direct access to My Account (a convenient link in My Service Canada account lets you jump into My Account, even if you have never signed up).

If you applied for CERB through Service Canada (Employment Insurance payment):

For anyone who became eligible for EI regular or sickness benefits on March 15, 2020 or later, their Employment Insurance (EI) claim was automatically processed as a CERB payment through Service Canada. **Please note you are only to repay once, not to both organizations**

If you choose to repay to Service Canada the process to return the payment is as follows:

- If you still have the original cheque you can return the cheque by mail to the address below.
- If you do not have the cheque, or have deposited the cheque, you can pay your account using any of the **three methods** as outlined below:

1. Online banking:

- Select "Employment and Social Development Canada" if available through your financial institution's website
- Note: Payments cannot be made using the "My Payment" option available on the Canada Revenue Agency's website.
- Please note, that the other two options are available but given the current situation, you might experience some delays in the processing of your payment.

2. At your financial institution:

- a. Write your Social Insurance Number (SIN) on your cheque or money order and indicate it is for "Repayment of CERB"

2. By mail (cheque or money order):

- a. Send your payment by cheque or money order (address below)
- b. Make your payment payable to: "Receiver General for Canada"
- c. Write your SIN on the front of your cheque or money order and indicate it is for "Repayment of CERB"

****Please do not send cash through the mail****

Mailing address (Service Canada):

ESDC Remittances
PO Box 1122
Matane QC G4W 4S7

Since the CERB is taxable, you can expect to receive an information slip on the amount of CERB you received.

Service Canada will reverse the transaction if you repay the CERB for whatever reason, and you will not receive an information slip for that payment.

In order to ensure that the information slips are not issued improperly, we encourage you to repay your CERB before December 31, 2020. If you need more time to repay based on your personal situation, please contact the CRA or visit the CRA payment page to ensure that by December 31st you have made the necessary arrangements to payback based on agreed upon schedule.

❖ Temporary salary top-up for low-income essential workers

The Government is working with provinces and territories through a new transfer to cost-share a temporary top up to the salaries of low-income workers (those who earn less than \$2,500 per month on a full time basis), that the provinces and territories have deemed essential in the fight against COVID-19.

This will provide a much needed boost to those on the front-line in hospitals, those caring for seniors in long-term care facilities, those working so hard to make sure that there that is food on our shelves and tables, and others.

Each province has a different temporary pandemic pay structure. Please consult your provincial government's website to see when you can expect the top-up reflected in your paycheque or what you need to do as an employer to distribute the funds to your employee.

❖ Claim a deduction for home office expenses for 2020 tax year

As a result of the unprecedented challenges due to COVID-19, many people have been working at home and using their kitchens, bedrooms and living rooms as their work space. In response, the Canada Revenue Agency (CRA) has introduced a new temporary flat rate method to simplify claiming the deduction for home office expenses for the 2020 tax year.

As an employee, you may be able to claim a deduction for home office expenses (work-space-in-the-home expenses, office supplies, and certain phone expenses). This deduction is claimed on your personal income tax return. Deductions reduce the amount of income you pay tax on, so they reduce your overall income tax liability.

Eligibility

You are eligible to claim a deduction for home office expenses for the period you worked from home, if you meet **all** of the criteria:

- you worked from home in 2020 due to the COVID-19 pandemic **or** your employer required you to work from home
- you worked more than 50% of the time from home for a period of at least four consecutive weeks in 2020
- have a completed and signed Form T2200S or Form T2200 from your employer (**only applicable if the detailed method is used to complete the claim**)
- the expenses are used directly in your work during the period

The use of a shorter qualifying period will ensure that more employees can claim the deduction than would otherwise have been possible under longstanding practice.

New temporary flat rate method

The new **temporary flat rate method** simplifies your claim for home office expenses. You are eligible to use this new method if you worked more than 50% of the time from home for a period of at least four consecutive weeks in 2020 due to the COVID-19 pandemic. You can claim \$2 for each day you worked from home during that period plus any additional days you worked at home in 2020 due to the COVID-19 pandemic. The maximum you can claim using the new temporary flat rate method is \$400 (200 working days) per individual.

Each individual working from home who meets the eligibility criteria can use the temporary flat rate method to calculate their deduction for home office expenses. This means multiple people working from the same home can each make a claim.

This method can only be used for the 2020 tax year.

Simplified process for the temporary flat rate method

You do not have to: calculate the size of your work space, keep supporting documents or get Form T2200 completed and signed by your employer.

What counts as a work day:

- days you worked full-time hours from home
- days you worked part-time hours from home

What days do not count

- days off
- vacation days
- sick leave days
- other leave or absence

Expenses that are covered by the \$2 a day flat rate

The temporary flat rate method is used to claim home office expenses. You cannot claim any other employment expenses (line 22900) if you are using the flat rate method.

Using the detailed method to claim your deduction for home office expenses

You can use the detailed method to claim the home office expenses you paid for the period that you worked from home.

Simplified process for using the detailed method if you worked from home due to the COVID-19 pandemic

To support you, the CRA:

- created a simplified Form T2200S and Form T777S
- created a calculator to help you claim the home office expense deduction that you are entitled to
- will accept an electronic signature on the Form T2200S and Form T2200 to reduce the necessity for employees and employers to meet in person (applies to the 2020 tax year only)

Details on how to calculate work space: [Click here](#)

Tax Form Links:

1. Form T2200S, Declaration of Conditions of Employment for Working at Home During COVID-19
2. Form T777S, Statement of Employment Expenses for Working at Home Due to COVID-19

❖ Mortgage Support

Canadian banks have committed to work with their customers on a case-by-case basis to find solutions to help them manage hardships caused by COVID-19. This includes permitting lenders to defer up to six monthly mortgage payments (interest and principal) for impacted borrowers. You are encouraged to visit your bank's website for the latest information, rather than calling or visiting a branch.

Mortgage Default Management Tools

The Canada Mortgage and Housing Corporation (CMHC) and other mortgage insurers offer tools to lenders that can assist homeowners who may be experiencing financial difficulty. These include payment deferral, loan re-amortization, capitalization of outstanding interest arrears and other eligible expenses, and special payment arrangements.

The Government, through CMHC, is providing increased flexibility for homeowners facing financial difficulties to defer mortgage payments on homeowner CMHC-insured

mortgage loans. CMHC will permit lenders to allow payment deferral beginning immediately.

❖ Support for Seniors

Registered Retirement Income Funds

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.

Practical services: delivery of items and personal outreach

Contribution of \$9 million through United Way Canada for local organizations to support practical services to Canadian seniors. These services could include the delivery of groceries, medications, or other needed items, or personal outreach to assess individuals' needs and connect them to community supports.

Immediate and essential services through the New Horizons for Seniors Program

Organizations who received funding under the 2019-2020 New Horizons for Seniors Program community-based stream will be able to use their funding to provide immediate and essential services to seniors impacted by COVID-19.

Activities can start immediately and can include:

- A. supporting seniors in staying connected with their community and family by providing electronic devices, virtual activities and remote tutorials;
- B. supporting the delivery of food and medication to self-isolated seniors at home;
- C. assisting seniors to undertake essential activities, such as visits to the doctor;
- D. hiring staff to replace a loss of a senior volunteer due to the outbreak;
- E. providing information to seniors regarding how to care for themselves during the pandemic.

Financial Support for Businesses



The new and improved
**CANADA EMERGENCY
RENT SUBSIDY (CERS) program**

no longer requires:

- * **70% rent reduction**
- * **Application or involvement from landlord**

More businesses qualify including non-profit organizations and charities impacted. Changes are retrospective to September 27, 2020 and end June 2021. For more info, click the link in the description.

**Canada
Emergency
Rent
Subsidy
(CERS)**

**APPLICATIONS
NOW OPEN**

For more information:
[canada.ca/en/revenue-agency/
services/subsidy/
emergency-rent-subsidy](https://canada.ca/en/revenue-agency/services/subsidy/emergency-rent-subsidy)

❖ Canada Emergency Rent Subsidy (CERS)

Canadian **businesses, non-profit organizations, or charities** who have seen a drop in revenue due to the COVID-19 pandemic may be eligible for a subsidy to cover part of their commercial rent or property expenses, starting on September 27, 2020, until June 2021.

This subsidy will provide payments directly to qualifying **renters** and **property owners**, without requiring the participation of landlords.

If you are eligible for the base subsidy, you may also be eligible for lockdown support if your business location is significantly affected by a public health order for a week or more.

Eligibility Criteria

To be eligible to receive the rent subsidy, you must meet **all four** of the following criteria – you:

1. Meet at least one of these conditions:
 - You had a CRA business number on September 27, 2020, or
 - You had a payroll account on March 15, 2020, or another person or partnership made payroll remittances on your behalf, or
 - You purchased the business assets of another person or partnership who meets condition 2 above, and have made an election under the special asset acquisition rules
These special asset acquisition rules are the same for the Canada Emergency Wage Subsidy (CEWS), or
 - You meet other prescribed conditions that might be introduced
 - **Note:** there are no prescribed conditions at this time
 - If you don't have a business number but you qualify under condition **b or c**, you will need to set one up before you are able to apply for CERS.
 - You **do not** need a payroll account to apply for CERS.
2. Are an eligible business, charity, or non-profit (eligible entity):
 - Types of businesses, charities, or non-profits (entities) that are eligible for CERS
 - Individuals (other than trust)
 - Corporations (or trusts) that **are not exempt** from income tax (Part I of the Income Tax Act)
 - The following persons that **are exempt** from income tax (Part I of Income Tax Act):
 - Non-profit organizations
 - Agricultural organizations
 - Board of trade
 - Chambers of commerce
 - Non-profit corporations for scientific research and experimental development
 - Labour organizations or societies
 - Benevolent or fraternal benefit societies or orders
 - Registered charities
 - Partnership consisting of eligible employers (including partnerships where at least 50% of the interests in the partnership are held by eligible employers)
 - The following prescribed organizations:
 - Certain indigenous government-owned corporations that carry on business
 - Partnerships consisting of eligible employers and certain indigenous governments
 - Registered Canadian amateur athletic associations
 - Private schools and private colleges, and

- Partnership consisting of eligible employers (including partnerships where at least 50% of the interests in the partnership are held by eligible employers)
 - Public institutions are **not eligible** for the subsidy. This includes municipalities and local governments, Crown corporations, public universities, colleges and schools, and hospitals.
 - If your business, charity, or non-profit is related to another eligible entity, you may be considered an “affiliated entity”. This may affect your calculations for the subsidy.
 - If you are affiliated with other businesses, charities, or non-profits who are also applying for CERS, you must agree how you will split the \$300,000 limit for eligible expenses.
 - You will enter the percentages you agreed to claim in the application form.
 - The application form will have space for up to 10 affiliated entities. If you have more than 10, enter the ones with the highest allocations (percentages) and keep a full list for your records.
3. Experienced a drop in revenue
- Your drop in revenue is calculated by comparing your eligible revenue during the reference period with your eligible revenue from a previous period (baseline revenue).
 - There is **no minimum revenue drop** required to qualify for the subsidy. That rate your revenue has dropped is only used to calculate how much subsidy you receive for these periods.
 - Calculate your revenue drop online:
 - After you have read about the expenses you can claim, you can use the [online calculator](#) to find your revenue drop while calculating how much subsidy you may receive.
 - Read about the calculation:
 - You can read the in-depth details of [how the revenue drop is calculated](#).
 - Eligible revenues for CERS
 - Eligible revenue generally includes revenue earned in Canada from:
 - Selling goods
 - Rendering services, and
 - Others' use of your resources
 - If your normal accounting method is the accrual method, you can choose (elect) to use the cash method (and vice versa), but once you choose you must use the same accounting method for all your claims.
 - Special revenue circumstances
 - Registered charities and non-profit organizations
 - Registered charities and non-profits, and some prescribed organizations may choose whether or not to include government funding, such as grants, when calculating eligible revenue. You must use same approach for each period you are applying for.
 - Non-arm's length transactions and affiliated groups
 - Revenue related to certain non-arm's-length transactions and affiliated groups must subtracted from your qualifying revenue.
 - Amalgamations changes of ownership
 - Special rules apply for calculating eligible revenue when two or more entities have amalgamated, or when an entity has purchased the assets of another person or partnership.
 - These rules are the same for the Canada Emergency Wage Subsidy (CEWS).
 - A CERS application must be filed no later than 180 days after the end of a claim period.

4. Have eligible expenses
 - To apply for CERS, you must have a qualifying property. Only certain expenses you pay for qualifying properties are eligible for CERS.

Periods you can apply for

NOTE: Claim period 1: September 27, 2020 to October 24, 2020 is open to apply now.

Upcoming periods:

- Claim period 2: October 25 to November 21, 2020 – apply beginning November 30
- Claim period 3: November 22 to December 19, 2020 – apply beginning December 23

Expenses you can claim

The CERS covers a portion of eligible expenses in respect of a claim period for each qualifying property, subject to certain maximums. The CERS is calculated on a property by property basis.

Qualifying property

Properties (business locations) that **do qualify** include any "real or immovable property" (buildings or land) **in Canada** that your business or organization:

- Owns or rents, and
- Uses in the course of your ordinary business activities

Properties that **do not qualify**, include:

- Your home, cottage, or other residence used by you, your family members, or other non-arm's-length persons
- Any properties you own that are primarily used to earn rental income from arm's-length parties

Eligible expenses

For each claim period, you can claim eligible expenses up to a maximum of:

- \$75,000 per business location (base and top-up)
- \$300,000 in total for all locations (including any amounts claimed by affiliated businesses)
 - applies to the base subsidy only
 - there is no maximum for the top-up subsidy

If you must close or cease certain activities at one or more of your locations under a public health order for one week or longer, you may be eligible for lockdown support of up to 25% of eligible expenses per affected location for the days the order was in place.

Eligibility criteria for expenses

There are a few criteria expenses need to meet, in order to be eligible to be included in your claim for a particular claim period.

- Only amounts paid or payable to an arm's-length party can be included
- The expense must be in respect of the claim period
- The expense must be paid or payable under a written agreement in place before October 9, 2020 (or a renewal on substantially similar terms or assignment of such an agreement)

If you have not paid the amounts due for your eligible expenses yet, you must attest (confirm) that these amounts will be paid within 60 days of receiving your rent subsidy payment.

You cannot claim expenses that were paid or payable:

- to non-arm's-length entities
- for a timeframe that falls outside of the claim period you are applying for

Eligible expenses if you rent a qualifying property

If you rent the qualifying property, your eligible expenses are:

- Rent (including rent based on a percentage of sales, profit or similar criteria)
- Amounts required to be paid or payable by you under a net lease (either to the lessor or a third party). Includes:
 - Base rent
 - Regular payments for customary operating expenses
 - Property and similar taxes
 - Regular payments to the lessor for customary ancillary services
- You cannot include amounts paid or payable for:
 - Sales taxes (such as GST/HST and provincial sales taxes)
 - Damages
 - Interest or penalties on unpaid amounts
 - Other special amounts

If your landlord received an amount under the Canada Emergency Commercial Rent Assistance (CECRA) program and they applied the amount to your future rent payments, you can still claim the full rent amount in the current period.

If you own the qualifying property, your eligible expenses are:

- Property and similar taxes
 - Includes school taxes and municipal taxes, if these are part of your property tax assessment
- Property insurance
- Interest on commercial mortgages for the purpose of purchasing real property
 - Your mortgage amount cannot exceed the lesser of:
 - the lowest principal amount secured by one or more mortgages on the property at any time it was acquired, or
 - the cost amount of the property
- Expenses that are not eligible include:
 - payments between non-arm's-length entities
 - amounts that were paid or payable for a time that fall outside of the claim period

If you earned any revenue from sub-leasing space on the property to arm's-length parties, you must subtract that revenue from your eligible expenses.

Calculating your base rent subsidy rate

The amount you can claim of your expenses (your rent subsidy rate) is based on the revenue drop you experienced between

- Corresponding month of 2019 method: the months of 2019 and 2020 that relate to the claim period you're applying for
- Alternative method: January and February 2020 compared to the months of 2020 that relate to the claim period

This revenue drop is then scaled to calculate your rent subsidy rate:

Calculate your rent subsidy rate

Your revenue drop	How to calculate your rate
Revenue drop of 70% or more	The maximum subsidy rate of 65%
Revenue drop of 50 to 70%	$(\text{Your revenue drop} - 50\%) \times 1.25 + 40\%$
Revenue drop of less than 50%	$0.8 \times \text{your revenue drop}$

Calculating your top-up (lockdown support) rate

In addition to the rent subsidy rate, you can receive a lockdown support amount for certain locations affected by public health restrictions.

Your CERS top-up (lockdown support) rate is 25% on lockdown, calculated as:

$25\% \text{ (fixed top-up rate)} \times \text{days the location was locked down due to the COVID-19 pandemic} \div 28$
(the days in the CERS period) = Your top-up (lockdown support) rate

If you have a 0% rent subsidy rate, you cannot claim a top up for any location.

Example top-up rate calculation

For example, if one of your business locations was on lockdown for 7 days of the 28 day period, you would be eligible to receive:

- 25% base top-up rate multiplied by
- 7 days out of 28
- for a 6.25% top-up rate.

Lockdown support eligibility criteria

Lockdown support is calculated on a location-by-location basis.

To qualify for lockdown support, you must have:

- a base rent subsidy rate of more than 0% for the claim period
- one or more locations temporarily closed, or have activities significantly restricted for a week or longer due to a COVID-19-related public health order

A public health order must:

- be issued by a federal, provincial, or municipal government, or a local health authority
- be limited based on at least one of these factors:
 - geographical boundaries
 - type of business or other activity
 - risks associated with a particular location
- result in sanctions or be an offence if you do not comply
- require you to stop some or all of your regular activities while the order is in place
 - activities you were not able to carry out must account for at least approximately 25% of total revenues at that location during the prior reference period

An order that restricts or reduces activities but doesn't require you to close or stop certain activities does not qualify for lockdown support.

Examples of restrictions that do not qualify for lockdown support

- travel restrictions that reduce the number of clients
- rules about when you can perform your regular activities, such as
 - restricted or reduced service hours or hours of operation
- any other restrictions that do not specifically order you to stop or close an activity, such as
 - reduced seating capacity or other physical distancing strategies

You do not qualify for lockdown support if you are already restricted or closed because you failed to comply with a previous public health order or decision.

Before you start the calculation

You need to confirm you have all the information you need before you start your calculation:

- You are eligible for CERS
- You have your monthly qualifying revenue amounts from 2020 and 2019
- Your eligible expenses are broken down by business location
- If your business has affiliated businesses or entities
 - You have agreed with those affiliated entities on how you will split the rent subsidy maximum.

You should understand the definitions and gather all the necessary information before you calculate your claim.

How to apply

- Set up your online account
 - You must apply for CERS online through either:
 - My Business Account, or
 - Represent a client
- Review your mailing address and other contact information
 - In My Business Account, please review or update your mailing address and other contact information.
- Create a CERS (ZA) number
 - You must create a CERS number before you apply
- Set up direct deposit
 - The CRA will collect applications over the coming days and, on November 30, process applications received to date.
 - Qualifying organizations whose claims successfully clear the CRA's automated verification system and that are registered for direct deposit should expect to begin receiving payments starting on December 4.
 - Direct deposit payments take 3 to 8 days. A cheque takes about 14 days.

Before you apply for a period

You must submit a separate application for each CERS claim period you are eligible for.

- Confirm that the claim period you are applying for is open
- Gather the information you'll need to calculate and apply for the subsidy

For each qualifying property, you will need the:

- amounts you owe or have paid for all eligible expenses
- property address
- name and contact information of your
 - mortgage holder if you have a mortgage on the property
 - landlord if you rent the property
- The application form will accept information for up to 3 properties.
- If you have more than 3, enter information for the 3 properties with the **highest eligible expenses**.

For affiliated entities that have claimed, or will be claiming the CERS for the same claim period, you will need the:

- number of affiliated entities in the agreement
- percentage assigned to you under the agreement with your affiliated entities
- business number of each affiliated entity
- percentage assigned to each affiliated entity under the agreement

Return the CERS

You may need to return all or part of the subsidy you have already received if you:

- made a calculation or data entry error for a claim period
- find out you do not qualify for the subsidy after you receive a payment
- receive a notice from the CRA that, following a review, your claim has been reduced or denied

Any excess amount of rent subsidy you received that is not returned may be subject to interest.

You may pay back any amount of CERS online, if your financial institution has the option.

1. Sign in to your financial institution's online banking service for businesses
2. Under "Add a payee" look for

Federal - Canada emergency rent subsidy repayment

3. Enter your 15-digit CERS number (ZA) as your CRA account number

Make sure the CERS number is the same one you used on your CERS application so we can apply your payment correctly.

If your financial institution does not offer the option to pay back the CERS online, you can return all or part of a subsidy payment by direct deposit or cheque, depending on your situation.

Return an entire payment

If you were paid by direct deposit:

1. Contact your financial institution
2. Ask to return the direct deposit made for CERS
3. Inform them of the exact amount and deposit date

The payment will be returned to CRA. No other action is required.

If you were paid by cheque:

You may return the payment by mail with the following information:

- the reason for the return (example: Repayment of CERS - not entitled)
- business number
- account name
- returned payment

If you still have the original CERS cheque, include this as your returned payment.

If you **do not** have the original CERS cheque, include a cheque or money order to the CRA for the amount you are returning. Make the payment out to "Receiver General for Canada".

Mail your payment to:

Revenue Processing – Repayment of CERS

Sudbury Tax Centre

1050 Notre Dame Avenue

Sudbury ON P3A 0C3

Return part of a payment

If you need to return only part of a CERS payment you received, you must send the amount by cheque or money order to the CRA even if you originally received the payment by direct deposit. Make the payment out to "Receiver General for Canada".

Include the following information when you mail your payment:

- the reason for the return (example: Repayment of CERS - not entitled)
- business number
- account name

Mail your payment to:

Revenue Processing – Repayment of CERS

Sudbury Tax Centre

1050 Notre Dame Avenue

Sudbury ON P3A 0C3

Calls and letters from the CRA

The CRA may need to contact you by phone or mail to confirm details, ask for more information about your application, or notify you that your claim was not approved. Please make sure your contact information is current.

Calls from the CRA

CRA phone agents will never:

- use threatening or coercive language
- ask for full bank information, or
- ask for your full Social Insurance Number (SIN)

CRA phone agents should be able to provide you with information about your CERS application, as well as their name and phone number.

If you have concerns about a call you received regarding your CERS application, please call the CRA's business enquiries line at 1-800-959-5525 and ask them to verify the name and number of the person that called you.

Letters from the CRA

You may receive a letter from the CRA if your application for CERS was not accepted, or if your claim was modified after we review the information.

Consequences of fraudulent claims

If you do not meet the CERS eligibility requirements for a period, you will be required to repay any amounts you received for that period. Canadians can also report suspected CERS misuse through the CRA's [Leads program](#).

Penalties may apply in cases of fraudulent claims, including fines or even imprisonment.

If you artificially reduce your revenue or increase your expenses for the purpose of claiming the rent subsidy, you will be required to repay any subsidy amounts you received, plus a penalty equal to 25% of the total value.

Keep your records

You must keep records showing information that supports your rent subsidy claim, such as your reduction in revenue and amounts for your eligible expenses.

If you use the online calculator to calculate your subsidy amounts, print the results summary or save an electronic copy for your records. We may ask to see it when validating your claim.

If you calculate your amounts another way, you must still save a record of how you came up with your amounts.

If you have affiliated entities that are also applying for CERS for the same period you are, you must save a copy of the agreement you made about the percentage of the subsidy each business will claim.

Include the subsidy on your returns

The Canada Emergency Rent Subsidy is taxable. You must include the amount of CERS you receive on your Annual Return of Income (e.g. Corporation Income Tax Return, Partnership Return) when calculating your taxable income.



UPDATE

Businesses that continue to be seriously impacted by the pandemic will be able to access an additional interest-free **Canada Emergency Business Account (CEBA) loan of up to \$20,000.** (on top of the original CEBA loan of \$40,000)

More information to be announced in the coming days:

canada.ca/coronavirus

❖ Canada Emergency Business Account (CEBA)

NOTE: As of October 26, 2020, eligible Canadian businesses currently operating through a personal bank account will be able to apply for CEBA.

AVAILABLE NOW: CEBA support is being expanded from \$40K to \$60K. This \$20,000 expansion will be available to all eligible previous and new CEBA applicants until March 31, 2021.

This program will provide up to \$25 billion to eligible financial institutions so they can provide interest-free loans of up to \$40,000 to small businesses and not-for-profits to help cover their operating costs during a period where their revenues have been temporarily reduced.

To qualify, these organizations will need to demonstrate they paid between \$20,000 to \$1.5 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).

As of October 26, 2020, eligibility for CEBA has expanded by removing the previous March 1, 2020, condition for having an active business chequing/operating account. With this removal, eligible businesses can now apply after opening a business chequing/operating account with their primary financial institution.

As of June 26, 2020, businesses eligible for CEBA now include owner-operated small businesses that do not have a payroll, sole proprietors receiving business income directly, as well as family-owned corporations remunerating in the form of dividends rather than payroll

Small businesses and not-for-profits should contact their financial institution to apply for these loans.

[Click here for more information](#)

If you have already applied for CEBA and have questions, please contact the CEBA Call Centre at 1-888-324-4201. Please note, in order to provide a quicker response time and improve the overall customer experience you will be asked to leave a call back number. An agent will return your call between Monday and Friday from 10:00 am to 9:00 pm EST and can address the following types of questions:

- What is the status of my application?
- Why was my application declined?
- Why was my submitted document rejected?

The CEBA Call Centre is experiencing significant call volumes. As a result, a return call may take more than 7 business days.

Eligibility Requirements

The CEBA application process follows one of two streams: (i) the Payroll Stream (Applicants with employment income paid in the 2019 calendar year between Cdn.\$20,000 and Cdn.\$1,500,000) or (ii) the Non-Deferrable Expense Stream (Applicants with Cdn.\$20,000 or less in total employment income paid in the 2019 calendar year). **If a CEBA applicant's first tax year-end, as indicated on the tax return, is in calendar 2020, they therefore would not be eligible for a CEBA loan.**

Every applicant must meet the following criteria:

- Has an active CRA Business Number (BN) with an effective date of registration on or prior to March 1, 2020.
- Has an active business chequing/operating account with the Lender at the time of applying for CEBA. Note: If Borrower currently does not have a business chequing/operating account the Borrower must create one at their primary financial institution before applying for CEBA.

- Has not previously used the Canada Emergency Business Account Program (the “Program”) and will not apply for support under the Program at any other financial institution.
- Intends to continue to operate its business or to resume operations.

If you fall into the Payroll Stream and once you have completed the application with your financial institution, the Government of Canada will assess the application and inform your financial institution of the approval or decline of the loan. If approved, your financial institution will provide the funds into your business chequing / operating account.

If you fall into the Non-Deferrable Expenses Stream you must also meet the following criteria:

- Have eligible non-deferrable expenses between Cdn. \$40,000 and Cdn. \$1,500,000. Eligible non-deferrable expenses could include costs such as rent, property taxes, utilities, and insurance. Expenses will be subject to verification and audit by the Government of Canada.
- Filed an income tax return with the CRA with a tax year ending in 2019 or, if its tax return for 2019 has not yet been submitted, 2018.

CEBA applications under the 2020 Eligible Non-Deferrable Expenses Stream will follow a three-step process:

Step 1: Complete the online Pre-Screen Tool. The Pre-Screen Tool is not a CEBA application and is solely intended to provide a non-binding indication of eligibility to inform your decision of whether to open a business account (if needed) and apply for CEBA at your financial institution. If you are declined at this step you can still apply for CEBA and therefore still need to complete the next two steps as identified.

Step 2: Businesses will initiate applications directly at their primary financial institution where they hold their primary business chequing /operating account. The financial institution will then direct applicants to Step 3 of the application process.

Step 3: Following the initial application through your financial institution, applicants will be directed to a CEBA website to provide supporting documentation of the 2020 Eligible Non-Deferrable Expenses and to complete the application.

The Government of Canada will assess application information submitted via financial institutions together with the supporting documentation and information provided in Step 3. If successful, the Government of Canada will notify your financial institution and provide funding for your CEBA loan.

Non-Deferrable Expenses

Applicants with \$20,000 or less in payroll in 2019 will have to demonstrate having Eligible Non-Deferrable Expenses between Cdn. \$40,000 and Cdn. \$1,500,000 in 2020. Expenses are considered “Eligible Non-Deferrable Expenses” if they were already incurred in January and/or February 2020, or are due to a legal or contractual obligation as at March 1, 2020 and cannot be avoided or deferred beyond 2020 even during a period of shut down and depressed revenues as a result of COVID. CEBA is not intended to provide income support, or support for variable operating expenses to businesses.

Eligible Non-Deferrable Expenses

- Wages and other employment expenses to independent (arm’s length) third parties;
- Rent or lease payments for real estate used for business purposes;
- Rent or lease payments for capital equipment used for business purposes;
- Payments incurred for insurance related costs;
- Payments incurred for property taxes;
- Payments incurred for business purposes for telephone and utilities in the form of gas, oil, electricity, water and internet;
- Payments for regularly scheduled debt service;

- Payments incurred under agreements with independent contractors and fees required in order to maintain licenses, authorizations or permissions necessary to conduct business by the Borrower;
- Payments incurred for materials consumed to produce a product ordinarily offered for sale by the Borrower.

Other Government of Canada COVID response programs will cause adjustment to the amount of 2020 Eligible Non-Deferrable Expenses include the following:

- Canada Emergency Wage Subsidy,
- 10% Temporary Wage Subsidy,
- Canada Emergency Commercial Rent Assistance, Regional Relief and Recovery Fund,
- Futurpreneur Canada,
- Northern Business Relief Fund,
- Fish Harvester Grant,
- relief measures for Indigenous businesses,
- \$250 million COVID-19 IRAP (Industrial Research Assistance Program) Subsidy Program, and
- Canada Emergency Rent Subsidy.

Businesses run out of a Personal Bank Account

Businesses that were active and operating as of March 1, 2020 but didn't have a business bank account as of March 1, 2020 may now be eligible for the CEBA program. The steps for these businesses to access CEBA are:

1. Visit and complete the Pre-screen Tool on <https://verify-verifier.ceba-cuec.ca/>
2. Open a business chequing/operating account with your primary financial institution
3. Apply for CEBA at your primary financial institution

Follow instructions from your financial institution to complete all relevant parts of the CEBA application.

Borrowers excluded from the CEBA

Per the requirements of the Program, as set out by the Government of Canada, the Borrower confirms that:

- 1) It is not a government organization or body, or an entity owned by a government organization or body;
- 2) It is not a union, charitable, religious or fraternal organization or entity owned by such an organization or if it is, it is a registered T2 or T3010 corporation that generates a portion of its revenue from the sales of goods or services;
- 3) It is not an entity owned by individual(s) holding political office; and
- 4) It does not promote violence, incite hatred or discriminate on the basis of sex, gender, sexual orientation, race, ethnicity, religion, culture, region, education, age or mental or physical disability.

Restrictions on use of CEBA funds

The funds from this loan shall only be used by the Borrower to pay non-deferrable operating expenses of the Borrower including, without limitation, payroll, rent, utilities, insurance, property tax and regularly scheduled debt service, and may not be used to fund any payments or expenses such as prepayment/refinancing of existing indebtedness, payments of dividends, distributions and increases in management compensation.

Questions about CEBA

What if I run more than one business?
Each qualifying business must have a unique 9-digit Canada Revenue Agency (CRA) Business Number. Each qualifying business is limited to one CEBA loan.
What is a Legal Business Name?
A business' legal name is recorded in the CRA's Business Number (BN) registry. For sole proprietors, this would be the individuals' legal name as it is recorded in the Canadian

Revenue Agency BN registry. It is not the business' operating or trade name. Consider the following examples: Sole Proprietors: You are a sole proprietor and your name is John Smith, and you advertise your business as ABC Framing. In this case, your legal business name is John Smith. Corporations: The corporation's name is 12345 Canada Inc. and the business advertises as ABC Properties. In this case, the legal business name is 12345 Canada Inc. If you are unsure or can't recall what legal business name you provided you can contact the CRA directly to find out.
My business is an unincorporated sole proprietorship. What do I input as my legal name?
Legal name should be the individual's legal name as it is recorded in the CRA's Business Number (BN) registry. It is not the business' operating or trade name. For example, John Doe is an acceptable format for legal name, but John's Pizzeria is not.
If I am applying through the Payroll Stream, what do I do if I have more than one CRA Payroll Program Account?
Applicants should add together all 2019 T4SUM statements and compare that total amount against the CEBA eligible payroll range, which is a payroll amount greater than CAD \$20,000 and less than CAD \$1,500,000. For example, a business with the following two payroll numbers would have a total payroll amount of \$35,000, which is within the eligible range: <ul style="list-style-type: none"> Payroll number 1 (...RP0001) <ul style="list-style-type: none"> 2019 T4SUM = \$15,000 Payroll number 2 (...RP0002) <ul style="list-style-type: none"> 2019 T4SUM = \$20,000 Total 2019 T4SUM = \$35,000
I missed a call-back from the CEBA call centre. Will they call back?
If you have missed a call-back from the CEBA call centre, you will need to call and submit your number again. Currently the wait time for a return call is up to 3 days.
I made an error in the information I submitted in the CEBA Pre-screen Tool. Can I complete the Pre-screen Tool using my correct information?
It is not possible to amend information that has been previously submitted in the Pre-screen Tool. If you believe you have made an error, then you may complete the Pre-screen Tool again.

Forecasted 2020 Eligible Non-Deferrable Expenses

How do I calculate "Eligible Non-Deferrable Expenses" for the 2020 calendar year?
The applicant's total incurred and projected Eligible Non-Deferrable Expenses, used to determine whether such expenses are between CAD \$40,000 and CAD \$1.5 million, are measured as they stood on March 1, 2020. Under all expense categories, the amounts to be included in the total are those actually paid in January and February 2020, as well as those for which a legal or contractual obligation existed on March 1, 2020, for the applicant to pay the expense within the remainder of 2020 and which cannot be avoided or deferred beyond 2020 even during a period of shut down and depressed revenues as a result of COVID. For periodic or indefinite contracts that renew or continue with the passage of time absent intervention by the parties, such as a monthly phone contract, assume that the contract continues on the same terms beyond March 1 such that payments related to the later periods in 2020 are included as obligations provided for in contract as at March 1.
Can I claim dividends I paid or will pay in 2020 as an Eligible Non-Deferrable Expense?

Dividends are not an Eligible Non-Deferrable Expense.
What qualifies as “wages and other employment expenses to independent (arm’s length) third parties”?
Wages and other employment expenses to independent (arm’s length) third parties includes payments on account of employees – e.g. salary, employment insurance premium, benefits (e.g. pension, medical/dental), or bonuses.
What qualifies as “capital equipment used for business purposes”?
Capital equipment used for business purposes includes, machinery, computer equipment, furniture, and other durable equipment (e.g. vehicle, tractor, marine vessel).
What qualifies as “payments incurred for insurance related costs”?
Insurance related costs pertaining to items such as property, professional liability, vehicle, and business interruption are considered eligible non-deferrable expenses so long as the insurance coverage protects the business entity.
What qualifies as “fees required in order to maintain licenses, authorizations or permissions necessary to conduct business by the Borrower”?
Fees required in order to maintain licenses, authorizations or permissions necessary to conduct business include, professional dues for licensed professionals, fishing licenses, and taxi medallions. This expense category may also include payments for the use of intellectual property (e.g. software licensing and subscriptions) and patent fees to the extent that it is required to conduct business.
What qualifies as “payments incurred for materials consumed to produce a product ordinarily offered for sale by the Borrower”?
Payments incurred for materials consumed to produce a product ordinarily offered for sale by the Borrower reflects payments for input materials that are consumed or transformed in producing, or become part of, the product that is ordinarily offered for sale, such as raw materials, ingredients, supplies, seed or livestock feed. Finished goods’ inventory or purchases of capital assets are not included.
What is meant by “arm’s length” for purposes of CEBA?
<p>For the purposes of CEBA, relationships are considered not at arm’s length if the parties are “related persons”, as defined in subsection 251(2) of the Income Tax Act. Unrelated persons are considered to deal at arm’s length for the purposes of CEBA. Individuals connected by a blood relationship, marriage, common-law partnership or adoption are related persons. A blood relationship refers to that of a parent or child (or descendant, such as a grandchild or a great-grandchild), or a brother and a sister.</p> <p>Corporations may also be persons related to the relevant employee for the purposes of CEBA, including through a relationship to another corporation or individual. Generally, a corporation is related to another person (including another corporation) where that person controls the corporation, that person is a member of a related group that controls the corporation, that person is a related person of a person who controls the corporation, or that person is a corporation controlled by the same person or group of persons.</p> <p>Please review the Income Tax Folio for further clarification on what is defined as a related person for the purposes of CEBA.</p>

❖ Small and Medium-sized Enterprise Loan and Guarantee

This program will enable up to \$40 billion in lending, supported through Export Development Canada and Business Development Bank, for guaranteed loans when small businesses go to their financial institutions to help weather the impacts of COVID-19. This is intended for small and

medium-sized companies that require greater help to meet their operational cash flow requirements.

- Export Development Canada will provide guarantees to financial institutions so that they can issue new operating credit and cash flow term loans of up to \$6.25 million to small and medium-sized businesses. These loans will be 80 per cent guaranteed by Export Development Canada, to be repaid within one year.
 - **This program is now available at various banks and credit unions.** Talk to your financial institution account manager to find out if the EDC BCAP Guarantee is a good fit for your cash flow needs.

❖ Business Credit Availability Program (BCAP)

The **Business Credit Availability Program (BCAP)** will allow the Business Development Bank of Canada (BDC) and Export Development Canada (EDC) to provide more than \$10 billion of additional support, largely targeted to small and medium-sized businesses.

Get up to \$100,000 through a completely online application process. Postpone capital payment for the first 6 months and repay your loan over 5 years. Interest rate of 5.05% (variance ranging between 1% and 12%).

[Click here for Terms and Conditions](#)

[Click here to apply now](#)

Note: "The Small Business Loan is offered at BDC's Floating Base Rate of 5.05% (effective March 17, 2020) plus a variance ranging between 1% and 12%, which is confirmed once the loan is approved. The interest rate is subject to change without notice."*

Working Capital Loan

Apply for additional funds to bridge cash flow gaps and support operations.

[Click here to learn more](#)

Purchase Order Financing

Cover up to 90% of a Purchase Orders(PO) amount with shorter term financing options.

[Click here to apply](#)

Advisory Services for [Financial Management](#) and [Operations](#)

For more information and support, please contact a BDC representative:

Call: 1-877-232-2269 (Mon-Fri 7:30am to 8:00pm ET / Sat-Sun 9:00am to 5:00pm ET)

Submit an online inquiry by clicking [here](#).



❖ Highly Affected Sectors Credit Availability Program (HASCAP)

Some businesses, such as those in tourism and hospitality, have been more heavily impacted as a result of COVID-19 and are struggling more than others to access financing. Starting February 1st, the Government launched the HASCAP program through financial institutions. These loans are for small and medium-sized businesses that have seen their revenues decrease by 50% or more as a result of COVID-19. BDC will provide 100% guarantees of up to \$1 million to help qualifying businesses finance day-to-day business operating costs.

Who can apply

If you are a Canadian business that needs additional cash flow to cover operational costs, your primary financial institution will determine whether you qualify for this program, based on the eligibility criteria established by the Government of Canada.

Neither BDC nor your financial institution has the authority to grant exceptions to eligibility criteria.

Qualifying businesses must:

- Be based in Canada
- have been financially stable and viable pre-COVID;
- have received payments either from the Canada Emergency Wage Subsidy (CEWS) Program or the Canada Emergency Rent Subsidy (CERS) Program by having demonstrated a minimum 50% revenue decline for at least three months (not necessarily consecutive) within the eight-month period prior to the date of a HASCAP Guarantee application.

In addition:

- The loan will be used to continue or resume operations;
- The loan cannot be used to pay or refinance existing;
- You can apply for a loan under the HASCAP Guarantee for each legal entity you own, up to a maximum combined amount of \$6.25 million (all legal entities combined).

How it works

BDC has been mandated by the Government of Canada to provide a guarantee to your financial institution for 100% of the value of your loan, to help you access additional liquidity and cover operating costs, as follows:

- loans ranging from \$25,000 to \$1 million to qualifying businesses;
- low-interest loans (4%) and repayment terms of up to 10 years;
- up to a 12-month postponement on principal repayments at the start of the loan. How to apply
Contact your primary financial institution to find out whether the HASCAP Guarantee is a good choice for your business and how to apply for a loan.

For more information visit [bdc.ca/HASCAP](https://www.bdc.ca/HASCAP)

❖ Export Development Canada support

EDC is here to help Canadian exporters. For all inquiries, please contact an EDC Trade Advisor:

- **Email:** tradeadvisor-conseiller@edc.ca
- **Call:** 1-800-229-0575 (9am to 5pm ET)
- **Submit an online inquiry by clicking [here](#).**

❖ Large Employer Emergency Financing Facility (LEEFF)

The LEEFF program will be open to large for-profit businesses – with the exception of those in the financial sector – as well as certain not-for-profit businesses, such as airports, with annual revenues generally in the order of \$300 million or higher.

To qualify, eligible businesses must be seeking financing of about \$60 million or more, have significant operations or workforce in Canada, and not be involved in active insolvency proceedings.

This program will be delivered by the Canada Development Investment Corporation (CDEV), in cooperation with Innovation, Science and Economic Development Canada and the Department of Finance.



❖ The Canada Emergency Wage Subsidy (CEWS)

UPDATE: The subsidy is extended to June 2021. The deadline to apply is January 31, 2021, or 180 days after the end of the claim period, whichever comes later. All the rules related to the wage subsidy for the fourth period (June 7 to July 4, 2020), are identical to the ones for the preceding third period (May 10 to June 6, 2020). The rules have been modified substantially for the fifth (July 5 to August 1, 2020) and subsequent periods, with transitional rules (safe harbour rule – see Q5-04) available for the fifth and sixth periods.

Eligible employers who had any drop in revenue can now qualify for the wage subsidy, starting with the claim periods that began July 5.

For claim periods 1 to 4 (March 15 to July 4, 2020):

- you must meet a minimum of 15% (period 1) or 30% (periods 2 to 4) revenue drop to qualify for the subsidy
- if you qualify for a period, you automatically qualify for the following period
- the subsidy rate is 75% of eligible employees' remuneration, up to a maximum of \$847/week per eligible employee
- employees who were unpaid for 14 or more consecutive days in the period can't be included in your calculation

Changes to CEWS as of claim period 5 (July 5 to November 21, 2020):

- the subsidy rate varies, depending on how much your revenue dropped
- if your revenue drop was less than 30% you can still qualify, and keep getting the subsidy as employees return to work and your revenue recovers
- employers who were hardest hit over a period of three months get a higher amount
- employees who were unpaid for 14 or more days can now be included in your calculation
- use the current period's revenue drop or the previous period's, whichever works in your favour
- for periods 5 and 6, if your revenue dropped at least 30%, your subsidy rate will be at least 75%
- even if your revenue has not dropped for the claim period, you can still qualify if your average revenue over the previous three months dropped more than 50%
- the maximum base subsidy rate is 60% in claim periods 5 and 6
- the maximum base subsidy rate will begin to decline in claim period 7, gradually reducing to 20% in period 9

Apply for the CEWS: [click here](#) (Applications are now open)

Eligibility Criteria

To be eligible to receive the wage subsidy, you must meet **all three** of the following criteria:

- 1) Have had a CRA payroll account on March 15, 2020
- 2) Even if you didn't have a payroll account on March 15, you may still qualify if: (1) you used a payroll service provider who made remittances on your behalf **OR** (2) you purchased all (or almost all) of another person's or partnership's business assets be one of the following types of employers:
 - individuals
 - corporations (or trusts) that are not exempt from income tax (Part I of the Income Tax Act)
 - the following persons that are exempt from income tax (Part I of the Income Tax Act):
 - non-profit organizations
 - agricultural organizations
 - boards of trade
 - chambers of commerce
 - non-profit corporations for scientific research and experimental development
 - labour organizations or societies
 - benevolent or fraternal benefit societies or orders
 - registered charities
 - partnerships consisting of eligible employers
 - the following prescribed organizations:
 - certain Indigenous government-owned corporations that carry on a business
 - partnerships consisting of eligible employers and certain Indigenous governments
 - registered Canadian amateur athletic associations
 - registered journalism organizations
 - private schools or private colleges, and
 - partnerships consisting of eligible employers (including partnerships where at least 50% of the interests in the partnership are held by eligible employers)
 - Public institutions are not eligible for the subsidy. This includes municipalities and local governments, Crown corporations, public universities, colleges and schools, and hospitals.

3) Have experienced a drop in revenue

Your drop in revenue is calculated by comparing your eligible revenue during the crisis with your eligible revenue from a previous period (baseline revenue).

Calculating Revenues (Period 1 to 4)

For periods 1 to 4, you must show that your eligible revenue dropped by a minimum amount to qualify for the subsidy. If you meet the minimum revenue drop, the subsidy calculation uses a fixed rate of 75%.

Your revenue drop for a claim period is the decline in eligible revenue you experienced. It's calculated by comparing your eligible revenue for the claim period month to your eligible revenue from a corresponding previous period ("baseline revenue").

Math behind the revenue drop calculation

For each claim period, $1 - (A \div B)$, where:

- A is your eligible revenue for the claim period, and
- B is your eligible revenue from a corresponding prior period (baseline revenue).

The result, expressed as a percentage, is your revenue drop.

Your revenue drop can't be negative. If the result is negative, then your actual revenue drop for the claim period is 0%.

Eligible Period				
	Claiming period	Require Reduction in revenue	Reference period for eligibility	Baseline Revenue
Period 1	March 15 – April 11	15%	March 2020	March 2019 or Average of January and February 2020
Period 2	April 12 – May 9	30%	April 2020	April 2019 or Average of January and February 2020
Period 3	May 10 – June 6	30%	May 2020	May 2019 or Average of January and February 2020
Period 4	June 7 to July 4, 2020	30%	June 2020	June 2019 or average of January and February 2020

You must choose one of these prior reference period comparison options and use it when calculating your revenue drop for all claims in periods 1 to 4. However, if you use one method for claims you made in periods 1 to 4, you may switch to the other method beginning with your claim in period 5.

If you were not operating as a business throughout January and February 2020, [read more about how to calculate your baseline revenue for eligibility purposes if you choose the alternative prior reference period](#).

Note: If you choose to use the alternative prior reference period (January and February 2020), you need to check the "prior reference period" election box when completing your CEWS application form.

Automatically qualifying for later periods (the “deeming rule” for periods 1 to 4)

For periods 1, 2, and 3, if you determine that you qualify for the subsidy for one claim period, you will automatically qualify for the following claim period. For example, if your revenue drop is over 30% for period 3, you don't need to re-calculate your drop for period 4 (you are “deemed” to have met this qualification).

[Read about how the deeming rule works in claim periods 5 and later](#)

[Examples of revenue drop calculation and automatically qualifying for claim periods 1 to 4](#)

Calculating Revenues (Period 5 to 9)

The amount you get per employee is based on your revenue drop. There are different ways to calculate your rate. Use the one that works best for your situation.

As long as you meet the eligibility requirements, you can take advantage of the best calculation.

Use the calculation that maximizes your subsidy amount

Only for claim periods 5 and 6, you can use the calculation from period 4 (the "safe harbour" rule):		For claim periods 5 to 9:
--	--	---------------------------

<ul style="list-style-type: none"> if you have a revenue drop of 30% or more, then you qualify for 75% of the eligible employees' remuneration, up to a maximum of \$847/week 	OR	<ul style="list-style-type: none"> you can use the new calculation, as outlined below you may also qualify for a top-up <p>Note: Claim periods 7 and forward must use the new calculations</p>
--	-----------	---

How much you can qualify for (examples in claim 5 & 6)

<p><u>If your revenue drop is 50% or more in Period 5:</u></p> <p>Your base rate is the maximum 60%</p> <p>This means:</p> <ul style="list-style-type: none"> Eligible employees earning \$1,129/week or more would get \$1,129 x 60% = \$677.40/week Eligible employees earning less than \$1,129/week would get 60% of their remuneration
<p><u>If your revenue drop in claim period 5 or 6 is 0-49%:</u></p> <p>Your base rate is 1.2 times your revenue drop %</p> <p>This means:</p> <ul style="list-style-type: none"> If you had 20% revenue drop, your base rate is 20% x 1.2 = 24% Eligible employees earning \$1,129/week or more would get \$1,129 x 24% = \$270.96/week Eligible employees earning less than \$1,129/week would get 24% of their remuneration

BUSINESSES WHO WERE HARD HIT

If you were especially hard hit, you may get an additional amount, based on your average revenue drop in the previous 3 months. [Click here for more examples](#)

Top-up amount details		
Your revenue drop over a 3-month span is 70% or more	Your revenue drop over a 3-month span is 50-69%	Your revenue drop over a 3-month span is 0-49%
<p>You can qualify for the maximum 25% top-up</p> <p>This means:</p> <ul style="list-style-type: none"> Eligible employees earning \$1,129/week or more would get \$1,129 x 25% = \$282.25/week top-up Eligible employees earning less than \$1,129/week would get 25% of their remuneration 	<p>You can you qualify for a top-up that is 1.25 x (your revenue drop % - 50%)</p> <p>This means:</p> <ul style="list-style-type: none"> If you had 60% revenue drop, your top-up is 1.25 x (60% - 50%) = 12.5% Eligible employees earning \$1,129/week or more would get \$1,129 x 12.5% = \$141.13/week Eligible employees earning less than \$1,129/week would get 12.5% of their remuneration 	No top-up

How to Apply

Eligible employers would be able to apply for the Canada Emergency Wage Subsidy through the Canada Revenue Agency's *My Business Account* portal as well as a web-based application. Employers would have to keep records demonstrating their reduction in arm's-length revenues and remuneration paid to employees. More details about the application process will be made available shortly.

Ensuring Compliance

In order to maintain the integrity of the program and to ensure that it helps Canadians keep their jobs, the employer would be required to repay amounts paid under the Canada Emergency Wage Subsidy if they do not meet the eligibility requirements and pay their employees accordingly.

The penalties may include fines or even imprisonment. In addition, anti-abuse rules will be proposed to ensure that the subsidy is not inappropriately obtained and to ensure that employees are paid the amounts they are owed.

Employers that engage in artificial transactions to reduce revenue for the purpose of claiming the CEWS would be subject to a penalty equal to 25 per cent of the value of the subsidy claimed, in addition to the requirement to repay in full the subsidy that was improperly claimed.

Interaction with the Canadian Emergency Response Benefit (CERB)

An employer would not be eligible to claim the Canada Emergency Wage Subsidy for remuneration paid to an employee in a week that falls within a 4-week period for which the employee is eligible for the Canadian Emergency Response Benefit.

Employers who are not eligible for the Canada Emergency Wage Subsidy would still be able to furlough employees who will receive up to \$2,000 a month.

Interaction with the Work-Sharing Program

An extension of the maximum duration of the Work-Sharing program has increased from 38 weeks to 76 weeks for employers affected by COVID-19. This measure will provide income support to employees eligible for Employment Insurance who agree to reduce their normal working hours because of developments beyond the control of their employers.

For employers and employees that are participating in a Work-Sharing program, EI benefits received by employees through the Work-Sharing program will reduce the benefit that their employer is entitled to receive under the CEWS.

Government Assistance

The usual treatment of tax credits and other benefits provided by the government would apply. As a consequence, the wage subsidy received by an employer would be considered government assistance and be included in the employer's taxable income.

Assistance received under either wage subsidy would reduce the amount of remuneration expenses eligible for other federal tax credits calculated on the same remuneration.

❖ Work-Sharing Program

Work-Sharing (WS) is an adjustment program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer. The measure provides income support to employees eligible for Employment Insurance benefits who work a temporarily reduced work week while their employer recovers.

Work-Sharing is a three-party agreement involving employers, employees and Service Canada. Employees on a Work-Sharing agreement must agree to a reduced schedule of work and to share the available work over a specified period of time. An application for a Work-Sharing agreement must be submitted a minimum of 30 days prior to the requested start date.

Downturn in business due to COVID-19 (2019 novel coronavirus)

Effective March 15, 2020 to March 14, 2021, the Government of Canada is introducing the following temporary special measures:

- extend the maximum duration of WS agreements from the current 38 weeks to 76 weeks
- waive the mandatory waiting period between agreements, and
- ease recovery plan requirements for the duration of the WS agreement

WS temporary special measures are only available to employers either directly or indirectly experiencing a downturn in business due to COVID-19.

Measure available to employers

If an employer's agreement is signed between March 15, 2020 and March 14, 2021 (with an agreement start date no later than March 14, 2021) or begins or ends between March 15, 2020 and March 14, 2021, then they may be eligible for a 38-week extension for a total of 76 weeks.

If an employer's agreement ended between June 23, 2019 and March 13, 2020 and are currently in their mandatory cooling-off period, then they may be eligible to waive the mandatory waiting period, and apply for a new agreement with a maximum possible duration of 76 weeks.

Eligibility

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

Access the [Work-Sharing temporary special measures](#) page to find out if you are eligible for temporary special measures and the application forms.

Apply for the Work-Sharing Program: <https://www.canada.ca/en/employment-social-development/services/work-sharing/apply.html>

You can submit your application to the Western Canada desk (EDSC.WT.WS-TP.ESDC@servicecanada.gc.ca)

For more information on the Work-Sharing Program, call the following toll-free number: 1-800-367-5693 (TTY: 1-855-881-9874).

❖ Flexibility for Businesses and Charities Filing Taxes

The Canada Revenue Agency will allow all businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing before September 2020. This relief would apply to tax balances due, as well as instalments, under Part I of the *Income Tax Act*. No interest or penalties will accumulate on these amounts during this period.

The Liaison Officer service offers help to owners of small businesses to understand their tax obligations. Traditionally available in-person, this service is now available over the phone and will be customizing information during these challenging times by ensuring small businesses are aware of any changes such as filing and payment deadlines, proactive relief measures, etc.

All charities with a Form T3010 due between March 18, 2020 and December 31, 2020 have had their filing deadline extended to December 31, 2020.

Waiving tariffs on certain medical goods

The Government is waiving tariffs on certain medical goods, including PPE such as masks and gloves.

This will reduce the cost of imported PPE for Canadians, help protect workers, and ensure our supply chains can keep functioning well.

[Click here for more details](#)

❖ Small and Medium Sized Businesses

Mid-Market Financing Program

Through the Business Credit Availability Program, the Business Development Canada's (BDC) Mid-Market Financing Program will provide commercial loans ranging between \$12.5 million and \$60 million to medium-sized businesses whose credit needs exceed what is already available through the Business Credit Availability Program and other measures.

BDC anticipates that qualifying companies will have annual revenues in excess of approximately \$100 million.

This support is available until June 2021. [Click here for more details.](#)

Mid-Market Guarantee and Financing Program

Through the Business Credit Availability Program, EDC's Mid-Market Guarantee and Financing Program will bring liquidity to companies who tend to have revenues of between \$50 million to \$300 million, to sustain operations during this uncertain period. EDC will continue to work with Canadian financial institutions to guarantee 75 % of new operating credit and cash-flow loans – ranging in size from \$16.75 million to a maximum of \$80 million.

These expanded guarantees are available to exporters, international investors and businesses that sell their products or services within Canada.

Regional Relief and Recovery Fund

The government is providing \$962 million through the Regional Relief and Recovery Fund (RRRF) to help more businesses and organizations in sectors such as manufacturing, technology, tourism and others that are key to the regions and to local economies. This fund is specifically targeted to those that may require additional help to recover from the COVID-19 pandemic, but have been unable to access existing support measures.

Apply to the RRRF through your Local Regional Development Agency: [click here](#)

Young Entrepreneurs

The government is providing \$20.1 million in support for Futurpreneur Canada to continue supporting young entrepreneurs across Canada who are facing challenges due to COVID-19. The funding will allow Futurpreneur Canada to provide payment relief for its clients for up to 12 months.

[Click here to learn about Futurpreneur Canada](#)

Women Entrepreneurs

The government is providing \$15 million in new funding through the Women Entrepreneurship Strategy (WES). This funding will be available to existing WES Ecosystem Fund recipient organizations, enabling these third-party organizations to provide timely support and advice to women entrepreneurs facing hardship due to the COVID-19 pandemic.

[Click here to learn more about the WES Ecosystem Fund](#)

❖ Additional Links for Employers

Coronavirus and small business: keeping you and your employees safe

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

Coronavirus disease (COVID-19): Resources for Canadian businesses

<https://www.tradecommissioner.gc.ca/campaign-campagne/ressources-entreprises-COVID-19-business-resources.aspx?lang=eng>

Support for entrepreneurs impacted by the coronavirus COVID-19

<https://www.bdc.ca/en/pages/special-support.aspx?special-initiative=covid19>

Questions regarding an employer's obligations to their employees

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

How to cope with the impacts of COVID-19 on your business [https://www.bdc.ca/en/articles-](https://www.bdc.ca/en/articles-tools/entrepreneur-toolkit/webinars/pages/how-cope-impacts-covid-19-on-your-business.aspx)

[tools/entrepreneur-toolkit/webinars/pages/how-cope-impacts-covid-19-on-your-business.aspx](https://www.bdc.ca/en/articles-tools/entrepreneur-toolkit/webinars/pages/how-cope-impacts-covid-19-on-your-business.aspx)

Financial Support for Sectors

❖ Cultural, heritage and sports

The Government is establishing a \$500 million COVID-19 Emergency Support Fund for cultural, heritage and sport organizations that will help address the financial needs of affected organizations so they can continue to support artists and athletes.

More information: [click here](#)

❖ Agriculture, agri-food, aquaculture, fisheries

Keeping workers in the food supply chain safe

The Government is providing \$50 million to help farmers, fish harvesters, and all food production and processing employers, put in place the measures necessary to follow the mandatory 14-day isolation period required of all workers arriving from abroad.

The Government will provide support of \$1,500 for each temporary foreign worker, to employers or those working with them to ensure requirements are fully met. The funding is conditional on employers not being found in violation of the mandatory isolation.

An exemption was made for temporary foreign workers from travel restrictions to Canada, along with other foreigners with student and work visas, provided they adhere to a strict 14-day isolation protocol upon arrival.

Increasing Credit Availability

Farm Credit Canada will provide an additional \$5 billion in lending to producers, agribusinesses, and food processors. This will offer increased flexibility to farmers who face cashflow issues and to processors who are impacted by lost sales, helping them remain financially sound during this difficult time.

Canadian Seafood Stabilization Fund

6.25 million to help businesses:

- access short-term financing to pay for maintenance and inventory costs;
- add storage capacity for unsold product;
- comply with new health and safety measures for workers;
- support new manufacturing/automated technologies to improve productivity and quality of finished seafood products; and,

- adapt products to respond to changing requirements and new market demands.

Increasing Dairy Commission Borrowing Limit

- The Canadian Dairy Commission's borrowing limit will increase by \$200 million to support costs associated with the temporary storage of cheese and butter to avoid food waste.

Fish Harvester Benefit and Grant

\$267.6 million will be provided to those that experience fishing income declines of greater than 25% in the 2020 tax year, compared with a reference period to be identified.

This measure covers 75% of fishing income losses beyond a 25% income decline threshold, up to a maximum individual entitlement equivalent to what is provided under the Canada Emergency Wage Subsidy (\$847 per week for up to 12 weeks).

Fish Harvester Grant, a program worth up to \$201.8 million. The program would provide non-repayable support of up to \$10,000 to self-employed fish harvesters with a valid fishing licence. Size of the non-repayable support will vary depending on the level of fish harvesters' historic revenue.

Applications are now open. [Click here.](#)

❖ Non-Profit and Charitable

Emergency Community Support Fund

The Government invested \$350 million to support vulnerable Canadians through charities and non-profit organizations that deliver essential services to those in need.

The investment will flow through national organizations that have the ability to get funds quickly to local organizations that serve vulnerable populations. It will support a variety of activities, such as:

- increasing volunteer-based home deliveries of groceries and medications
- providing transportation services, like accompanying or driving seniors or persons with disabilities to appointments
- scaling up help lines that provide information and support
- helping vulnerable Canadians access government benefits
- providing training, supplies, and other required supports to volunteers so they can continue to make their invaluable contributions to the COVID-19 response
- replacing in-person, one-on-one contact and social gatherings with virtual contact through phone calls, texts, teleconferences, or the Internet

Community organizations will be able to apply for funds through these national partners or their local entities. Community organizations should check the websites of the United Way Centraide Canada, the Canadian Red Cross and Community Foundations of Canada to learn more about how and when they will be able to apply. They will allocate funding by taking into account the size of the population as well as regional and local needs.

- [United Way Centraide Canada](#)
- [Canadian Red Cross](#)
- [Community Foundations of Canada](#)